



CITY COUNCIL AGENDA

PUBLIC NOTICE is hereby given that the City Council of Spanish Fork, Utah, will hold a regular public meeting in the Council Chambers in the City Office Building, **40 South Main Street**, Spanish Fork, Utah, commencing at **6:00 p.m. on March 20, 2012**.

AGENDA ITEMS:

1. CALL TO ORDER, PLEDGE, OPENING CEREMONY, RECOGNITIONS:

- a. Pledge, led by invitation

2. PUBLIC COMMENTS:

Please note: In order to be considerate of everyone attending the meeting and to more closely follow the published agenda times, public comment will be limited to three minutes per person. A spokesperson who has been asked by a group to summarize their concerns will be allowed five minutes to speak. Comments which cannot be made within these limits should be submitted in writing. The Mayor or Council may restrict the comments beyond these guidelines.

3. COUNCIL COMMENTS:

4. SPANISH FORK 101: Dave Anderson - Signs

5. CONSENT ITEMS:

These items are considered by the City Council to be routine and will be enacted by a single motion. If discussion is desired on any particular consent item, that item may be removed from the consent agenda and considered separately.

- a. * Minutes of Spanish Fork City Council Meeting – [March 6, 2012](#)
- b. * [Landlord's Consent to Assignment for Airport Hangers 77 & 78](#)
- c. * [Retirement Plan Consulting Agreement](#)

6. NEW BUSINESS:

- a. Shannon Anderson request to extend the deadline to move Anderson Salvage
- b. Boards and Committee Ratification
- c. * [Crab Creek Transmission Line Phase I Change Order](#)
- d. * [Preliminary Plat approval request, White Rail, an 87-lot residential subdivision located at approximately 900 North State Road 51](#)
- e. * [Preliminary Plat approval request, Hawk Landing, a 7-lot residential subdivision located at approximately 2300 East Canyon Road](#)

7. CLOSED SESSION:

- a. Personnel
- b. Land Purchase

ADJOURN:

* Supporting documentation is available on the City's website www.spanishfork.org

Notice is hereby given that:

- In the event of an absence of a quorum, agenda items will be continued to the next regularly scheduled meeting.
- By motion of the Spanish Fork City Council, pursuant to Title 52, Chapter 4 of the Utah Code, the City Council may vote to hold a closed meeting for any of the purposes identified in that Chapter.
- This agenda is also available on the City's webpage at www.spanishfork.org

SPANISH FORK CITY does not discriminate on the basis of race, color, national origin, sex, religion, age or disability in the employment or the provision of services. The public is invited to participate in all Spanish Fork City Council Meetings located at 40 South Main St. If you need special accommodation to participate in the meeting, please contact the City Manager's Office at 804-4530.

**Tentative Minutes
Spanish Fork City Council Meeting
March 6, 2012**

Elected Officials Present: Mayor G. Wayne Andersen, Councilmembers Steve Leifson, Rod Dart, Keir A. Scoubes, Richard Davis, Brandon Gordon.

Staff Present: David Oyler, City Manager; Junior Baker, City Attorney; Seth Perrins, Assistant City Manager; Dave Anderson; Community Development Director; Chris Thompson, Public Works Director; Dale Robinson, Parks & Recreation Director; Kent Clark City Recorder/Finance Director; Dee Rosenbaum, Public Safety Director; Angie Warner, Deputy Recorder.

Citizens Present: Candice Bahm, Todd Skiba, Chance Skilva, Aaron Haymore, Jared Salzl, John Salzl, Conner Campbell, Connor Pugh, Jantzen Jolly, Selina Swasell, Alex Varela, Cary Robarge, Cary Hanks, Terry Ficklin, Donna Hansen, Vole Hansen, Enoch Palmer, Lonney Woodbrey, Mariela Pastrana, Gabriel Pastrana, Sarah Ratuff, Mandy Marie Eldrege, Dallin Eldredge, Haley Crandall, Daniel Smith, Kelly Smith, Brent Frost, Brayden Critchfield, Brennan Peine, Caden Critchfield, Randall Huff, Matthew Boyack, Jordan Wolf, Gavin Jensen, Michael Critchfield.

CALL TO ORDER, PLEDGE, RECOGNITION:

Mayor Andersen called the meeting to order at 6:00 p.m.

Aaron Haymore led in the pledge of allegiance.

Prevent Child Abuse Month – Candice Bahm

Candice Bahm explained the program and asked the City Council if they would approve and sign a proclamation claiming April as Prevent Child Abuse Month.

Councilman Gordon made a Motion to approve the Prevent Child Abuse Month Proclamation. Councilman Dart Seconded and the motion Passed all in favor.

PUBLIC COMMENTS:

Cary Hanks & Cary Robarge from the Chamber of Commerce commented that they were honored to be a part of the Miss Teen Extraordinaire event. Cary Hanks reminded the citizens that the Easter Egg Hunt will be April 7th.

Mayor Andersen thanked the citizens that supported the Miss Teen Extraordinaire event.

COUNCIL COMMENTS:

Councilman Davis said the Fiesta Days Committee is getting the t-shirts made. The Grand Marshalls are Howard and Joyce Creer. The committee is going to allow parade entrants to hand out candy again at the parade subject to some rules and regulations.

Councilman Dart attended the Parks and Recreation Conference and it had some great meetings and information.

47 Councilman Scoubes said the solid waste district will have a Household Hazardous Waste
48 Collection day on April 7th from 9am to 3pm at the Provo Towne Center Mall. Councilman
49 Scoubes reminded citizens to attend the caucus meetings next week.

50

51 **SPANISH FORK 101:**

52 John Bowcut – Rental Properties & Shared Cable Services

53

54 **CONSENT ITEMS:**

- 55 a. Minutes of Spanish Fork City Council Meeting – February 21, 2012
56 b. Crab Creek Trunkline – Condie Construction Change Order
57 c. Crab Creek Trunkline – Hansen, Allen & Luce Contract task Amendment
58 d. I-15 CORE 300 West Electrical Betterment Agreement
59 e. Retirement Plan Consulting Services Agreement with First West & NFP Securities

60

61 Mayor Andersen noted that item “E” the Retirement Plan Consulting Services Agreement needs
62 to be removed from the consent items.

63

64 Councilman Gordon made a **Motion** to **approve** the consent items except for item “E” that was
65 removed.

66 Councilman Leifson **Seconded** and the motion **Passed** all in favor.

67

68 **NEW BUSINESS:**

69 **I-15 CORE Main Street Road Closure Request for Railroad Work**

70 Chris Thompson said the contractor that is rebuilding I-15 needs to close Main Street in order to
71 rebuild the rail road crossing. They are requesting the closure for 3 days. Mr. Thompson
72 explained the intersection redesign in return for the closure. Staff recommends the City allow
73 the 3 day closure, in return UDOT will redesign the intersection at no cost.

74

75 Council agreed to have Mr. Thompson move forward.

76

77 **UDOT Agreement – Main Street 1000 North**

78 Chris said that UDOT is requesting to adjust the signals to have one left turn to the East and
79 South instead of two left lane turns. Our transportation engineers agreed with UDOT’s findings.
80 This change will lower the costs to this project. The equipment for two left turn signals would be
81 installed. Later they would only need to paint the lines on the road to accommodate the two left
82 turn lanes.

83

84 Councilman Leifson made a **Motion** to **approve** the UDOT Agreement on Main Street 1000
85 North, subject to legal review.

86 Councilman Scoubes **Seconded** and the motion **Passed** all in favor.

87

88 **ADJOURN:**

89 Councilman Dart made a **Motion** to **adjourn**.

90 Councilman Gordon **Seconded** and the motion **Passed** all in favor at 6:36 p.m.

91

92 **ADOPTED:**

93

94

Angie Warner, Deputy Recorder



MEMO

To: Mayor and City Council
From: Jason Sant, Assistant Spanish Fork City Attorney
Date: 5 March 2012
Re: Landlord Consent to Assignment for Airport Hangers 77 & 78

In February of 2012, Central Bank and Donald Langdon, the owner of hangers 77 and 78 at the Airport, entered into a loan agreement. Central Bank required collateral of Mr. Langdon. Mr. Langdon agreed with Central Bank to use his ownership interest in hangers 77 and 78 as that required collateral. The Airport owns the ground hangers 77 and 78 are placed upon and, as such, must consent to any such agreement. The Airport Board considered the Landlord's Consent to Assignment at its March 1, 2012 meeting and has asked staff to place this item on your City Council agenda. The Airport Board unanimously recommend approval of this agreement. We as staff believe there are no significant issues regarding this agreement. The Landlord's Consent to Assignment is attached.



Letter of Recommendation to City Council

Springville City Board Name: Airport

Applicant:	Request:	Date of Meeting: <u>3-1-2012</u>
<u>Central Bank & Don Langdon</u>	<u>Landlords Consent to Assignment</u>	

Motion by: <u>Brian Part</u>	Second by: <u>Doug Ford</u>		
RECOMMENDATION	<input checked="" type="checkbox"/> APPROVE	<input type="checkbox"/> DISAPPROVE	<input type="checkbox"/> OTHER:
CONDITIONS OF APPROVAL:			

Voting Record:

Member Name	APPROVE	DENY	ABSTAIN
<u>Brian Part</u>	✓		
<u>Clay Orr</u>	✓		
<u>Doug Ford</u>	✓		
<u>RICHARD DAVIS</u>	✓		
<u>Matthew Taylor</u>	✓		

Matthew Taylor
Chair

03/01/2012
Date

Tax Serial Number:
24:046:9603 & 24:046:9602

RECORDATION REQUESTED BY:
CENTRAL BANK
RIVERSIDE OFFICE
1300 NORTH STATE STREET
PROVO, UT 84604-2419

WHEN RECORDED MAIL TO:
CENTRAL BANK
RIVERSIDE OFFICE
1300 NORTH STATE STREET
PROVO, UT 84604-2419

SEND TAX NOTICES TO:
SPANISH FORK CITY and SPRINGVILLE CITY through
the SPANISH FORK/SPRINGVILLE AIRPORT BOARD
2050 NORTH 300 WEST
SPANISH FORK, UT 84660

FOR RECORDER'S USE ONLY

LANDLORD'S CONSENT TO ASSIGNMENT

THIS LANDLORD'S CONSENT TO ASSIGNMENT is entered into among DONALD F. LANGDON ("Borrower"), whose address is 10856 SOUTH COVERED BRIDGE DRIVE, SPANISH FORK, UT 84660; CENTRAL BANK ("Lender"), whose address is RIVERSIDE OFFICE, 1300 NORTH STATE STREET, PROVO, UT 84604-2419; and SPANISH FORK CITY and SPRINGVILLE CITY through the SPANISH FORK/SPRINGVILLE AIRPORT BOARD ("Landlord"), whose address is 2050 NORTH 300 WEST, SPANISH FORK, UT 84660. Borrower and Lender have entered into, or are about to enter into, an agreement whereby Lender has acquired or will acquire a security interest or other interest in the Collateral. Some or all of the Collateral may be affixed or otherwise become located on the Premises. To induce Lender to extend the Loan to Borrower against such security interest in the Collateral and for other valuable consideration, Landlord hereby agrees with Lender and Borrower as follows.

COLLATERAL DESCRIPTION. The word "Collateral" means certain of Borrower's personal property in which Lender has acquired or will acquire a security interest, including without limitation the following specific property:

7200 SQ. FT. AIRCRAFT HANGERS - NUMBERS 77 AND 78 - LOCATED AT 300 WEST 2050 NORTH, SPANISH FORK, UTAH 84660..

BORROWER'S ASSIGNMENT OF LEASE. Borrower hereby assigns to Lender all of Borrower's rights in the Lease, as partial security for the Loan. The parties intend that this assignment will be a present transfer to Lender of all of Borrower's rights under the Lease, subject to Borrower's rights to use the Premises and enjoy the benefits of the Lease while not in default on the Loan or Lease. Upon full performance by Borrower under the Loan, this assignment shall be ended, without the necessity of any further action by any of the parties. This assignment includes all renewals of and amendments to the Lease or the Loan, until the Loan is paid in full. No amendments may be made to the Lease without Lender's prior written consent, which shall not be unreasonably withheld or delayed.

CONSENT OF LANDLORD. Landlord consents to the above assignment. If Borrower defaults under the Loan or the Lease, Lender may reassign the Lease, and Landlord agrees that Landlord's consent to any such reassignment will not be unreasonably withheld or delayed. So long as Lender has not entered the Premises for the purpose of operating a business, Lender will have no liability under the Lease, including without limitation liability for rent. Whether or not Lender enters into possession of the Premises for any purpose, Borrower will remain fully liable for all obligations of Borrower as lessee under the Lease. While Lender is in possession of the Premises, Lender will cause all payments due under the Lease and attributable to that period of time to be made to Landlord. If Lender later reassigns the Lease or vacates the Premises, Lender will have no further obligation to Landlord.

LEASE DEFAULTS. Both Borrower and Landlord agree and represent to Lender that, to the best of their knowledge, there is no breach or offset existing under the Lease or under any other agreement between Borrower and Landlord. Landlord agrees not to terminate the Lease, despite any default by Borrower, without giving Lender written notice of the default and an opportunity to cure the default within a period of sixty (60) days from the receipt of the notice. If the default is one that cannot reasonably be cured by Lender (such as insolvency, bankruptcy, or other judicial proceedings against Borrower), then Landlord will not terminate the Lease so long as Landlord receives all sums due under the Lease for the period during which Lender is in possession of the Premises, or so long as Lender reassigns the Lease to a new lessee reasonably satisfactory to Landlord.

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Agreement: This Agreement shall extend to and bind the respective heirs, personal representatives, successors and assigns of the parties to this Agreement. The covenants of Borrower and Landlord respecting subordination of the claim or claims of Landlord in favor of Lender shall extend to, include, and be enforceable by any transferee or endorsee to whom Lender may transfer any claim or claims to which this Agreement shall apply. Lender need not accept this Agreement in writing or otherwise to make it effective. This Agreement shall be governed by and construed in accordance with the laws of the State of Utah. If Landlord is other than an individual, any agent or other person executing this Agreement on behalf of Landlord represents and warrants to Lender that he or she has full power and authority to execute this Agreement on Landlord's behalf. Lender shall not be deemed to have waived any rights under this Agreement unless such waiver is in writing and signed by Lender. Without notice to Landlord and without affecting the validity of this Consent, Lender may do or not do anything it deems appropriate or necessary with respect to the Loan, any obligors on the Loan, or any Collateral for the Loan; including without limitation extending, renewing, rearranging, or accelerating any of the Loan indebtedness.

AMENDMENTS. This Agreement, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Agreement. No alteration of or amendment to this Agreement shall be effective unless given in writing

**LANDLORD'S CONSENT TO ASSIGNMENT
(Continued)**

Loan No: 45-572344

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and signed by the party or parties sought to be charged or bound by the alteration or amendment.

NO WAIVER BY LENDER. Lender shall not be deemed to have waived any rights under this Agreement unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Agreement shall not prejudice or constitute a waiver of Lender's right otherwise to demand strict compliance with that provision or any other provision of this Agreement. No prior waiver by Lender, nor any course of dealing between Lender and Landlord, shall constitute a waiver of any of Lender's rights or of any of Landlord's obligations as to any future transactions. Whenever the consent of Lender is required under this Agreement, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender.

SEVERABILITY. If a court of competent jurisdiction finds any provision of this Agreement to be illegal, invalid, or unenforceable as to any circumstance, that finding shall not make the offending provision illegal, invalid, or unenforceable as to any other circumstance. If feasible, the offending provision shall be considered modified so that it becomes legal, valid and enforceable. If the offending provision cannot be so modified, it shall be considered deleted from this Agreement. Unless otherwise required by law, the illegality, invalidity, or unenforceability of any provision of this Agreement shall not affect the legality, validity or enforceability of any other provision of this Agreement.

DEFINITIONS. The following capitalized words and terms shall have the following meanings when used in this Agreement. Unless specifically stated to the contrary, all references to dollar amounts shall mean amounts in lawful money of the United States of America. Words and terms used in the singular shall include the plural, and the plural shall include the singular, as the context may require. Words and terms not otherwise defined in this Agreement shall have the meanings attributed to such terms in the Uniform Commercial Code:

Agreement. The word "Agreement" means this Landlord's Consent to Assignment, as this Landlord's Consent to Assignment may be amended or modified from time to time, together with all exhibits and schedules attached to this Landlord's Consent to Assignment from time to time.

Borrower. The word "Borrower" means DONALD F. LANGDON and includes all co-signers and co-makers signing the Note and all their successors and assigns.

Collateral. The word "Collateral" means all of Borrower's right, title and interest in and to all the Collateral as described in the Collateral Description section of this Agreement.

Landlord. The word "Landlord" means SPANISH FORK CITY and SPRINGVILLE CITY through the SPANISH FORK/SPRINGVILLE AIRPORT BOARD, and is used for convenience purposes only. Landlord's interest in the Premises may be that of a fee owner, lessor, sublessor or lienholder, or that of any other holder of an interest in the Premises which may be, or may become, prior to the interest of Lender.

Lease. The word "Lease" means that certain lease of the Premises, dated May 15, 2006, between Landlord and Borrower..

Lender. The word "Lender" means CENTRAL BANK, its successors and assigns.

Loan. The word "Loan" means any and all loans and financial accommodations from Lender to Borrower whether now or hereafter existing, and however evidenced.

Note. The word "Note" means the Note executed by DONALD F. LANGDON in the principal amount of \$132,351.54 dated February 9, 2012, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the note or credit agreement.

Premises. The word "Premises" means the real property located in UTAH County, State of Utah, commonly known as 2050 NORTH 300 WEST #77 & #78, SPANISH FORK, UT 84660, and legally described as:

Hanger #77 and #78 of the Spanish Fork-Springville Airport (Building only) Property tax Identification number is 24:046:9603 & 24:046:9602.

Related Documents. The words "Related Documents" mean all promissory notes, credit agreements, loan agreements, environmental agreements, guaranties, security agreements, mortgages, deeds of trust, security deeds, collateral mortgages, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the Loan.

BORROWER AND LANDLORD ACKNOWLEDGE HAVING READ ALL THE PROVISIONS OF THIS LANDLORD'S CONSENT TO ASSIGNMENT, AND BORROWER AND LANDLORD AGREE TO ITS TERMS. THIS AGREEMENT IS DATED FEBRUARY 9, 2012.

BORROWER:

X 
DONALD F. LANGDON, Individually



MEMO

To: Mayor and Council
From: S. Junior Baker
Date: 2 March 2012
Re: Retirement Plan Consulting Contract

On the City Council agenda for March 6 is a contract with NFP Securities and First West Benefit Solutions for consulting services for the City's 401(k) retirement plan. The City has used First West as a consultant for retirement and health care services for several years. First West is recommending we change the national consultant to NFP Securities. First West will still act as a local consultant and advisor. This move will allow more options and better service at the same or a smaller cost. As the City's account grows, opportunities for savings occur. First West watches for those opportunities and recommends which, if any, we should consider.

This is a contract in standard form. Therefore, it is listed as a consent item.



RETIREMENT PLAN CONSULTING SERVICES AGREEMENT

This agreement ("Agreement") by and among NFP Securities, Inc., ("NFPSI"), its representative **Jeffrey Scott** ("Advisor"), and **Spanish Fork City** ("Client") as further identified on Appendix A is effective as of the _____ day of _____, 2012 (the "Effective Date").

NFPSI is an investment adviser registered with the Securities and Exchange Commission (the "Commission") under the Investment Advisers Act of 1940 as amended (the "Advisers Act") and a broker-dealer registered with the Commission.

Client is or sponsors a retirement plan ("Plan") which is qualified under section 401(a), 403(b), or 457(b) of the Internal Revenue Code of 1986, as amended, and/or is subject to the Employee Retirement Income Security Act of 1974, as amended ("ERISA") or is a Plan which is considered nonqualified.

Client wishes to engage NFPSI and Advisor to provide the services for the Plan described herein.

In consideration of the mutual promises, covenants, and undertakings set forth in this Agreement, the parties agree as follows:

1. **Consulting Services.** The Advisor will provide to Client those services outlined in Appendix B, or as otherwise agreed in writing, and attached hereto. Such services may also include meetings with Client and/or Client's attorney(s), accountant(s) and any other professional advisors and service providers ("Other Client Advisors"). Client agrees that NFPSI and Advisor will not provide any tax, accounting or legal services or advice, nor prepare any tax, accounting or legal documents for the implementation of services hereunder. NFPSI and Advisor shall not have any discretion, trading or otherwise, with respect to any decisions made by or on behalf of the Client as Client will retain absolute discretion over all investment and implementations decisions. NFPSI and/or Advisor will not have custody, or take physical possession or control of the assets or funds of the Plan. Client is free to obtain legal, accounting and brokerage services from Other Client Advisors or any professional source in conjunction with or to implement the services hereunder.

2. **Client Information.** In addition to Appendix A of this Agreement, the Client agrees to provide any information as may be reasonably requested from time to time by Advisor. Client also agrees to be available upon reasonable request by Advisor to discuss Client's financial goals and needs and will promptly inform Advisor of any changes in Client's information or financial situation previously provided. Client agrees that the analysis and/or recommendations of an Advisor are based on the information provided by the Client. In addition, Client authorizes Advisor to consult with and obtain information from Other Client Advisors or service providers. Advisor is not required to verify any information obtained from the Client. All information and advice furnished by either party will be treated as confidential and not disclosed to third parties except as (i) agreed upon in writing, (ii) required by law, court order or government agency, or (iii) allowed by law or NFPSI's Privacy Policy.

3. **Fiduciary Status.**

(a) NFPSI and Advisor each hereby acknowledge that it is a "fiduciary" with respect to assets of the Plan as ERISA defines that term under Section

3(21)(A)(ii) to the extent it renders investment advice with respect to any moneys or property of such Plan, or has any authority or responsibility to render such investment advice. To the extent they are fiduciaries, NFPSI and Advisor each acknowledge that it is subject to and will at all times exercise the standards of fiduciary responsibility set forth in Title 1, Subtitle B, Part 4 of ERISA, which it acknowledges it has examined and with which it is familiar. The parties acknowledge and agree that NFPSI and Advisor each, (a) have no responsibility to and will not (i) exercise any discretionary authority or discretionary control respecting management of the Plan, (ii) exercise any authority or control respecting management or disposition of assets of the Plan, or (iii) have any discretionary authority or discretionary responsibility in the administration of the Plan or interpretation of the Plan documents, (b) is not an "investment manager" as defined in Section 3(38) of ERISA and does not have the power to manage, acquire or dispose of any plan assets, and (c) is not the "Administrator" of the Plan as defined in ERISA. Client acknowledges that the sole standard of care imposed on NFPSI and Advisor as a fiduciary is to act with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character with like aims.

(b) Plan agrees to obtain and maintain for the period of this Agreement any bond required pursuant to ERISA or other applicable law. In no event shall either Advisor or NFPSI be responsible for obtaining, or paying the premiums on such a bond. Plans agree to provide appropriate documentation evidencing such coverage upon request. Plans also agree to provide Advisor and NFPSI with copies of all plan documents upon request. Subject to ERISA Client represents, warrants and certifies that: (i) Client is named fiduciary under the Plan as defined by ERISA; (ii) Plan documents comply and will comply in all material respects with the applicable provisions of ERISA, and (iii) Client retains responsibility for the overall diversification of assets of the Plan; and (iv) the engagement of NFPSI and Advisor, and any instructions that have been

given with regard to the Plan, are consistent with applicable Plan documents. The Client agrees to furnish copies of such governing documents if requested by NFPSI or Advisor. The Client also acknowledges that the services provided under this Agreement only relate to the Plan's assets, and that NFPSI and Advisor are not responsible for overall compliance of the Plan within the requirements of ERISA or any other governing law or documents.

4. **Proxies.** NFPSI and Advisor are not responsible for voting and shall not vote proxies on behalf of Client. NFPSI and Advisor are expressly precluded from taking any action or rendering any advice to Client with respect to voting proxies for Client and Plan.

5. **Fees and Expenses.** Client agrees to pay the fee(s) and expenses as outlined in Appendix C, or as otherwise agreed in writing, and attached hereto. All fees hereunder are payable to NFPSI. Fees charged hereunder are solely for the services of Advisor and NFPSI under this Agreement. Any Other Client Advisor retained by Client shall be at Client's own expense.

6. **Liability.** Neither NFPSI nor Advisor shall be liable to Client or Plan for any investment or recommendation made, or any investment advice given, or any other investment action taken or omitted, except to the extent such loss is caused by negligence, a breach of fiduciary duty, or illegal or wrongful act by NFPSI or Advisor. Notwithstanding the foregoing, federal and state securities laws impose liabilities under certain circumstances on persons who act in good faith, and nothing herein shall constitute a waiver or limitation of any rights which Client may have under any federal or state securities laws. Client understands that profits cannot be assured on any transaction, recommendation or suggestion as part of the services hereunder, and that there can be no guarantee that any or all transactions, recommendations or suggestions if followed will be profitable to Client. Client acknowledges that recommendations made by Advisor do not guarantee any specific result. Client can elect to implement all or part of the recommendations by Advisor at any time. Client is free to accept or reject any recommendation from Advisor as the Client has the sole authority to implement any such recommendations. NFPSI and Advisor will not be subject to any claim arising under the Plan associated with any act or failure to act of Client, any Other Client Advisor, any other fiduciary of the Plan or any Plan participant, or any failure of Client to comply with any of its obligations relating to the Plan. If Client shall retain separately Other Client Advisors, such Other Client Advisors shall be solely responsible for the preparation and accuracy of any legal documents or other legal services, accounting or bookkeeping services, tax opinions and/or tax returns. Client acknowledges and agrees NFPSI and Advisor shall have no responsibility for acts or omission of Other Client Advisors. Notwithstanding any other provision of this Agreement, (a) if capital stock of the employer sponsoring the Plan ("Stock") is held by or offered as an investment option under the Plan, or (b) if participants in the Plan may invest the assets in their accounts through individual brokerage

accounts, a mutual fund window or other similar arrangement, NFPSI and Advisor shall have no responsibility with respect thereto. Advisor shall not be liable for any action taken, suffered or omitted by it or for any error in judgment made by it in the performance of its non-fiduciary duties hereunder unless resulting from the gross negligence or intentional misconduct of Advisor. Client recognizes that this Agreement is non-exclusive to NFPSI and Advisor and that each of them, or any of their affiliates, may give advice and take action in the performance of its duties for such other clients (including those who may have similar retirement plan arrangements as Client) that may differ from advice given, or in the timing and nature of action taken, with respect to Client.

7. **Term and Termination.** Unless noted otherwise below, this Agreement shall continue from the Effective Date until terminated by a party upon ninety (90) days written notice to the others. Client shall be responsible for all transactions in progress until written notice is received. NFPSI and Advisor shall not be responsible with respect to the on-going investments or administration of Plan following a termination even if the Plan continues to be invested or administered by implementing the recommendations and services provided hereunder prior to termination. Any fees paid in advance shall be pro-rated upon termination. The provisions of Sections 3, 6, 7, 9, 11 and 12 shall survive the termination of this Agreement. Notwithstanding the foregoing, the parties may agree that the term of this Agreement shall continue from the Effective Date for the following periods by checking one of the following:

- 1 Year
- 2 Years
- 3 Years
- Other _____

8. **Assignment.** No assignment of this Agreement shall be made by Advisor and NFPSI without consent of the Client. For purposes of this Agreement, the term "assignment" shall have the meaning given it by Section 202(a)(1) of the Advisers Act.

9. **Notices.** Notices, reports, invoices etc. provided for herein shall be sent by U.S. mail, facsimile, electronic means or courier to the address of the other party set forth below (or such other address as either party may specify in writing to the other), and such notice shall become effective only upon receipt:

Address of Client: As set forth in Appendix A, unless otherwise indicated below:

Spanish Fork City
P.O. Box 358
Spanish Fork City, UT 84660

Address of NFPSI:

1250 Capital of Texas Highway, South 2-125
Austin, TX 78746.
Attn: Retirement Services
With a copy to: General Counsel

Address of Advisor:

1139 South Orem Blvd.

Orem, UT 84058

Client authorizes electronic delivery of any and all above notices, reports, invoices or other documents to be delivered under this Agreement at the following email address:

tjacobson@spanishfork.org

10. **Delivery of of Form ADV.** Client hereby acknowledges that it has received a copy of Part 2A and the applicable Part 2B of the Form ADV of NFPSI or such other written disclosure document required by Rule 204-3 of the Advisers Act.

11. **Arbitration.** To the extent permitted by applicable law, Client agrees that any controversy, claim or dispute concerning any transaction under this Agreement, or arising out of or relating to this Agreement or the breach thereof shall be settled by arbitration in accordance with the rules, then obtaining, of the Financial Industry Regulatory Authority (“FINRA”); notwithstanding the foregoing, to the extent FINRA does not have jurisdiction of a party or dispute, the parties agree to resolve any controversy hereunder pursuant to the rules of the American Arbitration Association. The arbitrators selected to hear such matter shall have experience in securities and employee benefit plan matters and shall render a decision based on Utah and applicable federal law. Any arbitration award shall be final, and judgment upon the award rendered may be entered in any court, state

or federal, having jurisdiction. Client understands that it cannot be required to arbitrate any dispute or controversy non-arbitratable under federal law. This Section 11 does not constitute a waiver of any right provided by the Advisers Act, including the right to choose the forum, whether arbitration or adjudication, in which to seek dispute resolution. In the event of any legal action taken to resolve a dispute between the parties, the prevailing party shall be entitled to recover reasonable legal fees and costs.

12. **Miscellaneous.** Each of NFPSI and the Advisor is an independent contractor, and not an employee, of Client for any purpose. This Agreement states the entire agreement of the parties hereto, and is intended to be the complete and exclusive statement of the terms hereof. It may not be added to or changed orally, and may not be modified or rescinded except in writing signed by the parties hereto. This Agreement and all performance hereunder shall be governed by the laws of the State of Utah that apply to contracts made and to be performed in the State of Utah, and without regard to the conflict of law principles thereof, provided that nothing herein shall be construed in any manner inconsistent with ERISA, the Advisers Act or any rule, regulation or order of the Commission promulgated thereunder. Any term or provision of this Agreement which is invalid or unenforceable in any jurisdiction shall, as to such jurisdiction be ineffective to the extent of such invalidity or unenforceability without rendering invalid or unenforceable the remaining terms or provisions of this Agreement or affecting the validity or enforceability of any of the terms or provisions of this Agreement in any other jurisdiction. This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Headings in this Agreement are for reference only and shall not limit or otherwise affect the meaning of any provision hereof.

NOTE: This Agreement contains a mandatory arbitration clause. Client should read this clause carefully before signing.

IN WITNESS WHEREOF, the undersigned parties have executed this agreement and its amendments as of the date and year written below:

Client Authorized **Signature**

Date

Printed Name

NFP Advisor Signature and Rep ID#
NFP Securities, Inc.

Date

Jeffrey Scott
Printed Name

New Account Update Account

Client Initials _____

PLAN INFORMATION

Registration Name Spanish Fork City	Tax ID# 87-06000824
Plan Spanish Fork City 401(k)/457 Plans	
Plan Sponsor Spanish Fork City	
Mailing Address P.O. Box 358	Daytime Phone (801) 804-4500
City, State, Zip Spanish Fork City, UT 84660	Business Phone (801) 804-4500
Legal (Street) Address, No PO Boxes (If Different from Mailing Address) City State Zip 40 South Main	
COUNTRY OF ORGANIZATION: <input checked="" type="checkbox"/> USA <input type="checkbox"/> Other _____	Website (optional) : _____

OTHER INFORMATION

Are you affiliated with NFP SECURITIES, Inc.? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Are you affiliated with or work for a member firm of a stock exchange, FINRA or an investment adviser? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If YES, please provide name and address of the compliance officer. _____ _____
--	---

TYPE OF REGISTRATION: *Additional papers may be required to open these accounts Trust *Corporation *Partnership *LLC Sole Proprietorship**TYPE OF PLAN** *Profit Sharing *Defined Benefit 401(k) 403(b) 457 SEP Non-Qualified Other (Specify) 401(k)/457(b)**FINANCIAL INFORMATION**

Approximate Plan Assets <u>\$10,300,000</u>	
Approximate Number of Participants: <u>184</u>	
Expected Frequency of Inflows/Outflows <input type="checkbox"/> Daily <input type="checkbox"/> Weekly <input type="checkbox"/> Monthly <input type="checkbox"/> Quarterly <input type="checkbox"/> Annually <input checked="" type="checkbox"/> Other <u>bi-weekly</u>	
Expected size of inflows <u>\$350,000</u>	
Expected Size of outflows <u>\$150,000</u>	

I have determined this investment and services provided herein are suitable based on my knowledge of the Client's investment objectives and financial circumstances.

Representative Signature _____	Rep # <u>VH5</u>	Date _____
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SERVICES

Client Initials: _____

	Description of Services	One-Time or Ongoing	Responsible Party
☒	Management of vendor relationships <ul style="list-style-type: none"> ■ Act as liaison between your organization and your current retirement plan vendor. ■ Bring new ideas and capabilities from your vendors and the industry in general to your organization for consideration. ■ Negotiate and manage plan expenses and fees with vendor. 	Ongoing	FirstWest Retirement Solutions
☒	Request-for-Proposal (RFP) <ul style="list-style-type: none"> ■ Lead and develop RFP process by conducting market analysis. ■ Negotiate proposal with vendors. ■ Deliver RFP evaluation and provide advice and guidance regarding evaluation. ■ Coordinate vendor presentations. ■ Facilitate change of vendor and manage conversion process (if changing vendors). 	Every 2-3 years	FirstWest Retirement Solutions
☒	Assist on plan design strategies <ul style="list-style-type: none"> ■ Provide updates on new legislation as well as advice on implementation of new plan design capabilities and their potential impact to the plan and its participants. ■ Review annual compliance testing to determine if there are efficiencies that can be gained by plan design changes. 	Ongoing	FirstWest Retirement Solutions
☒	Provide fiduciary consulting & oversight <ul style="list-style-type: none"> ■ Ensure proper adherence to fiduciary obligations ■ Create Investment Policy Statement ■ Help establish a Plan Investment Committee (if needed) ■ Help coordinate the functions / activities of the Plan Investment Committee ■ Assist with agendas and minutes of Plan Investment Committee meetings 	Ongoing	FirstWest Retirement Solutions
☒	Investment management <ul style="list-style-type: none"> ■ Coordinate the entire investment process and provide proper documentation ■ Provide monitoring reports for the performance, risk & expenses of the plan ■ Recommend specific actions to be taken ■ Develop overall asset allocation strategy for plan ■ Develop and oversee model portfolios as investment options for the participants. ■ Make recommendations which qualify as Qualified Default Investment Alternative ("QDIA") under ERISA. 	Ongoing	FirstWest Retirement Solutions
☒	Employee Education & Communication Services; Enrollment <ul style="list-style-type: none"> ■ Conduct employee surveys to determine interest in specific topics. ■ Conduct group education and/or enrollment meetings at each of the main locations. 	Ongoing	FirstWest Retirement Solutions
☒	Personalized Financial Planning <i>(must have Participant Information Sheet on File)</i> <ul style="list-style-type: none"> ■ Conduct individual financial planning sessions with employees and spouses / significant others. ■ Tailor sessions to meet individual needs 	Ongoing	FirstWest Retirement Solutions

- Other Services, as described below or in the attached separate document:

Fiduciary Fitness Program, Fiduciary Briefcase

- B. You, NFP Securities, Inc. ("NFPSI") have the authority to accept orders and other instructions relative to the accounts identified herein from those Plan Representatives listed in section 2(A). The Plan Representatives listed in Section 2(A) may execute any documents on behalf of the Retirement Plan Client, which you may require. By signing this form, the Plan Representative(s) hereby acknowledges and certify(ies) that you are authorized to follow any and all instructions from any Plan Representative named herein, and you have no obligation to verify the instructions so received or be responsible for any errors or actions taken in reliance on such instructions. Except as may be limited by applicable law, Retirement Plan Client agrees to release and hold harmless NFPSI and its agent from any and all losses arising from actions taken in reliance on such instructions. The authority granted herein by Retirement Plan Client ratifies and confirms any and all transactions with NFPSI heretofore or hereafter
- C. There are no other Plan Representatives of the Retirement Plan Client other than those listed in Section 2(A).
- D. Should only one person execute this certification, it shall be a representation that the signer is the sole Plan Representative. Where applicable, plural references in this certification shall be deemed singular.
- E. We, the Plan Representatives, have the power under the organization documents of the Retirement Plan Client and applicable law to enter into the transactions and issue the instructions that we make in this account. Such power may include, without limitation, the authority to buy, sell (including short sales), exchange, convert, tender, redeem and withdraw assets (including delivery of securities to and from the account) and to trade securities or otherwise (including the purchase and/or sale of option contracts) for and at the risk of the Retirement Plan Client. We understand that all orders and transactions will be governed by the terms and conditions of all other account agreements applicable to this account.
 - Please check if **NOT** eligible for margin trading ■ Please check **if eligible** for speculative options
- F. We, the Plan Representatives, jointly and severally, in our capacities as fiduciaries to the Retirement Plan Client and individually, indemnify NFPSI (a FINRA member), and hold NFPSI harmless from any claim, loss, expense or other liability for effecting any transactions, and acting upon any instructions given by a Plan Representative. We, the Plan Representatives, certify that any and all transactions effected and instructions given on this account will be in full compliance with the organization documents of the Retirement Plan Client.
- G. We, the Plan Representatives, agree to inform you, in writing, of any change in the composition of the Plan Representatives, or any other event that could alter the certifications made above.
- H. We, the Plan Representatives, agree that any information we give to you on this account will be subject to verification.

Affiliations

Are any of the Plan Representatives affiliated with or employed by a stock exchange or member firm of an exchange?

■ No □ Yes If yes**, Plan Representative's Name _____

Company Name and Address _____

Are any of the Plan Representatives a director, 10% shareholder, or policy-making executive of a public company?

■ No □ Yes If yes, Plan Representative's Name _____

Company Trading Symbol _____

***If yes, a letter of account approval from the Compliance Officer of the employing firm must be provided with this document.*

Certified To You (NFPSI) By (All Plan Representatives must sign and date)

Plan Representatives **Signature** _____ Date (required) _____

Plan Representatives **Signature** _____ Date (required) _____

Plan Representatives **Signature** _____ Date (required) _____

Disclosure Statement

Name of Agent, Broker, or Consultant: Jeffrey Scott
Name of Plan/Group Contractholder: Spanish Fork City

Part A: Recommendation and Disclosure (to be completed by Agent, Broker, or Consultant)

I/We, Jeffrey Scott, am/are the agent/broker in this transaction and have recommended that Spanish Fork City utilize Great-West Life & Annuity Insurance Company ("Great-West") and its affiliate GWFS Equities, Inc. ("GWFS") (collectively, "Great-West") for recordkeeping services for the above plan as evidenced by the Plan and its Sponsor's application, dated _____. All charges that will be incurred as a result of operating the Plan are outlined in the Services Agreement or Fee Schedule. My/Our relationship with Great-West is that of an agent/broker and as a matter of practice, Great-West does not restrict my/our ability to recommend other products and services.

Part B: Verification of completed Selling Agreement

- 1. Is Broker of record registered with a Broker/Dealer? Yes No
 - 2. Does Great-West maintain an active selling agreement with the Broker/Dealer? Yes No
- If yes, Broker/Dealer name _____ Account number _____

If you answered "No" to #1 above, Great-West may continue case installation. If you answered "Yes" to #1 and #2 above, Great-West may continue case installation. If you answered "Yes" to #1 but "No" to #2 of the above, a selling agreement must be signed by the broker of record's sponsoring Broker/Dealer before case installation can take place.

According to an Agreement between _____ and Great-West, the commissions are outlined on the Schedule below. The Agreement more formally describes these commissions.

Part C: Commission Schedule for Broker/Dealer:

Choose one or a combination:

- Based on Account Value equal to .35 % annualized paid on a Annual basis
- Based on Number of Plan Participants equal to \$ _____ per participant per year paid on a _____ basis
- Flat Sum amount equal to \$ _____ per year paid on a _____ basis
- Flat Sum amount equal to \$ _____ paid one time upon case installation

In the event the plan terminates or moves within 12 months from the date of this agreement, Broker/Dealer will immediately return the full amount of the flat sum commission promptly to GWFS or its affiliate, Great-West. Broker/Dealer also agrees that this flat sum commission will be returned in full, promptly upon written request from GWFS, or its affiliate Great-West, if plan does not fund within sixty (60) days from the date of this agreement. **Additional compensation may be paid based upon accumulated volume of business. However, none of this compensation is directly attributable to the Plan.**

As the Agent/Broker/Consultant, I hereby certify that all commission information is correct to the best of my knowledge. I attest that I have disclosed to the Plan/Group Contractholder all commissions payable to me, including those not described in this Disclosure Statement. I affirm that I have read and complied fully with all of the rules in Prohibited Transaction Exemption 84-24, if applicable, allowing these commissions to be paid to me and will comply while eligible to receive commissions from Great-West.

[Signature] _____ 3/2/12
Signature of Agent/Broker/Consultant Broker Account # Date

Part D: Acknowledgment of Receipt of Disclosure Information (to be completed by Authorized Plan Representative)

On the date indicated below, I acknowledge receipt of this completed Disclosure Statement, and I approve the proposed transaction on behalf of the Plan and direct Great-West to pay commissions as outlined above. I further represent that: 1. The Authorized Plan Representative shall be solely responsible for monitoring the performance of Agent/Broker/Consultant and determining the reasonableness of Agent/Broker/Consultant's ongoing fees; 2. The services provided by Agent/Broker/Consultant are necessary for the Plan and are not the legal obligation of the employer sponsoring the Plan; 3. We believe that the compensation received by Agent/Broker/Consultant under this Agreement is reasonable for the services provided by Agent/Broker/Consultant; 4. The Authorized Plan Representative's execution, delivery, and performance of this Agreement and any other agreements with respect to compensation does not and will not (i) violate in any material respect any law or regulation (including without limitation, any provision of ERISA or the Internal Revenue Code of 1986, as amended) or (ii) constitute, directly or indirectly a non-exempt prohibited transaction (including without limitation, the receipt of fees contemplated herein) within the meaning of section 4975 of the Code or section 406 of ERISA; and 5. Agent/Broker/Consultant is not an affiliate of the Plan or Plan sponsor.

X _____ _____ _____
Signature of Authorized Plan Representative Title Date

NFP Securities, Inc.

FINRA / SIPC / Registered Investment Adviser

CHANGE OF BROKER DEALER OF RECORD REQUEST DIRECT BUSINESS (Mutual Funds/Variable Products)

Date: 7/14/12

Securities Registration and Variable Appointment Checklist:

- Registered Rep(s) must have an approved Securities Registration in the client's state of residence
- Registered Rep(s) must be appointed at the carrier level for all *Variable Products*

Product Type: (please select)

- | | |
|--|--|
| <input type="checkbox"/> Mutual Fund | <input type="checkbox"/> *Variable Annuity* |
| <input type="checkbox"/> 529 Plan | <input type="checkbox"/> *Variable Life* |
| <input type="checkbox"/> REIT/LP | <input type="checkbox"/> *Group Variable Annuity/401K* |
| <input checked="" type="checkbox"/> Retirement Plan (401K/Mutual Fund) | |

Vendor/Fund Company Name AND Address (no P.O.Box; only physical address):

Great-West Retirement Services

Account Registration: Spanish Fork City
401(k) Plan

Account Number: 455929-01

Client SS#/Tax I.D.: 87-6000209

Trustee Printed Name (if applicable):

I (WE) AUTHORIZE YOU (COMPANY/FUND NAMED ABOVE) TO CHANGE THE DEALER OF RECORD ON THIS ACCOUNT TO THE FOLLOWING: (MUST MARK ONE BOX BELOW)

- Change of Broker/Dealer Change of Rep & Broker/Dealer

Representative Name (PRINT):

Representative Number: VITE Branch Number: D26

Representative Branch Address: 1139 South OREM Blvd
OREM, UT 84058

Dealer: NFP SECURITIES, INC.
1250 Capital of Texas Hwy S., Bldg 2-125
Austin, Texas 78746
Tel: 800-880-0080

The following signature(s) authorizes this change:

X Client Signature: _____ X Date: _____

Client Signature: _____ Date: _____

Plan Trustee Signature: _____ Date: _____
(If applicable)

*****PLEASE NOTE*****

- FILL OUT FORM IN ITS ENTIRETY to ensure accurate processing.
- COPY OF STATEMENT FROM VENDOR/FUND COMPANY REQUIRED.
- An account must ALREADY BE ESTABLISHED at the vendor before this form can be used.
- For split rep codes, please include all representative names and split percentages.
- This form is NOT to be used for Brokerage business.

Brochure

(Part 2A for Form ADV)

RETIREMENT PLAN CLIENTS

NFP Securities, Inc.

1250 Capital of Texas Highway, South

Austin, Texas 78746

512-697-6000 (phone)

512-697-6000 (fax)

Dated: March 31, 2011

This brochure provides information about the qualifications and business practices of our firm, NFP Securities, Inc. If you have any questions about the contents of this brochure, please contact us at 512-697-6000 or your financial advisor.

The U.S. Securities and Exchange Commission, as well as state securities authorities, have not approved or verified information in our brochure. Additional information about our firm may be found at www.adviserinfo.sec.gov

References to our firm as a “registered investment adviser” or any reference to being “registered” does not imply a certain level of skill or training.

Material Changes

This section of our brochure summarizes material changes that have occurred at our firm since the previous release of our brochure. We will update this section of the brochure on an annual basis and send a summary of any material changes at our firm along with our annual privacy policy mailing. You may receive a complete copy of our brochure by contacting your financial advisor or by contacting our firm at 512-697-6464.

Since our last update on Form ADV, the U.S. Securities and Exchange Commission issued new rules that require us, among other things, to re-write our brochure in a “plain English” format and organize it in a specific manner with certain mandatory sections.

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Advisory Business

Introduction

This brochure describes the investment advisory services we provide to clients that either are or sponsor a retirement plan (Plan) which is qualified under Internal Revenue Code and/or subject to the Employee Retirement Income Security Act (ERISA) or is a Plan which is considered nonqualified. **This Summary Disclosure Statement is only for use with Plan clients; if you are not a Plan client, please contact your Advisor to obtain the proper Brochure.**

In addition to being an investment adviser, our firm is also a broker-dealer and insurance agency. We provide securities (such as stocks, bonds, mutual funds and variable insurance, among others), investment advice and other financial services to clients. We provide investment advice through financial advisors registered with our firm. We refer to these financial advisors as “Advisors” in this brochure. Most of our Advisors are also registered representatives of our broker-dealer. In addition, many of our Advisors also act as insurance agents independent from our firm. We generally do not provide fixed insurance products or services. To the extent your Advisor provides fixed insurance products or services, he or she does so outside of our firm and supervision.

The types of services our Advisors provide Plan clients are described in more detail below. Generally, these services include vendor searches and benchmarking, plan design strategies and analysis, fiduciary consulting and oversight, plan level investment advice and employee education services. The specific services an Advisor provides, and the fee for those services, may differ from Advisor to Advisor. The fees you will pay and the services you will receive are set forth in a separate Retirement Plan Consulting Agreement (Consulting Agreement) with you, the Advisor and our firm.

Services

MANAGE VENDOR RELATIONSHIPS

Advisors act as liaison between the Plan and third party vendor(s) that provide services to the Plan. Advisors bring new ideas and capabilities for the Plan to consider from current vendors and the industry in general. In providing these services, Advisors may negotiate fees charged by vendors and assist the Plan to manage its vendor expenses. An Advisor can also assist a Plan with the selection of new vendors as well. Advisors may manage the Request for Proposal (RFP) process among prospective vendors. During the RFP process, Advisors conduct market analysis, negotiate with vendors, evaluate the RFPs and, as applicable, coordinate vendor presentations. Ultimately, Advisors provide Plan clients their analysis of the RFPs and a recommendation on a new vendor(s). In reviewing and recommending vendors, Advisors typically consider the administrative, recordkeeping, compliance, employee communications and investment related services provided by the vendor as well as the fees for their services. Finally, Advisors may facilitate and manage the conversion process of changing vendors by, among other things, providing sample letters and correspondence and monitoring action items during the conversion process.

PLAN DESIGN STRATEGIES AND ANALYSIS

Advisors evaluate a Plan client's design by reviewing relevant design features, such as age and length of service, eligibility requirements, vesting, forfeitures, employer matching contributions formulas, entry and re-entry dates and other pertinent design features. Further, Advisors may provide updates on new legislation as well as advice on implementation of new plan design capabilities and their potential impact to the Plan and its participants. Advisors typically review compliance testing annually to determine if there are efficiencies that can be gained by plan design changes.

FIDUCIARY CONSULTING AND OVERSIGHT

Advisors may assist the plan fiduciaries named in the Plan's organizational documents (Named Fiduciaries) to comply with their obligations under ERISA Section 404(a). Such services include assisting with the creation of an investment policy statement (IPS) for the Plan, creating Plan investment committees and coordinating those committees' functions and activities. In addition, some Advisors assist the Plan and Named Fiduciaries in performing an audit designed to comply with Section 404(c) of ERISA. These services include providing a checklist of the latest industry accepted standards with respect to 404(c) compliance and plan efficiency and working with the Plan and Named Fiduciaries to complete the checklist. The checklist typically delineates responsibilities for fulfilling tasks among the vendor, Plan and Advisor.

PLAN LEVEL INVESTMENT ADVICE

Advisors provide plan level investment advice by recommending investment vendors, platforms and options for the Plan to make available for participants. In addition, Advisors monitor performance, risk and expense reports for the of the Plan investment options, recommend specific actions and develop overall asset allocation strategy for Plan clients. In providing plan level investment advice, Advisors may provide research and analysis regarding investment advice, fiduciary due-diligence services and investment products and services. The Advisor may employ many different calculations, processes, and screening techniques to arrive at specific recommendations within the array of investments options offered by each Plan vendor. Such calculations, processes and screening techniques include investment analysis by asset class, market capitalization and investment objective; a review of performance relative to applicable benchmarks and comparable investment options; a review of financial strength, stability, the reputation of the investment vendor; analysis of the individual investment options available through the vendor; a review of the tenure and experience of investment management personnel and the investment philosophy, process, and style of the vendor; and an analysis of the investment fees.

In providing plan level investment advice, we and your Advisor acknowledge that each is a "fiduciary" with respect to assets of the Plan as ERISA defines that term under Section 3(21)(A)(ii) to the extent it renders investment advice with respect to any moneys or property of such Plan, or has any authority or responsibility to render such investment advice. To the extent they are fiduciaries, NFPSI and Advisor each acknowledge that it is subject to and will at all times exercise the standards of fiduciary responsibility set forth in Title 1, Subtitle B, Part 4 of ERISA.

EMPLOYEE EDUCATION SERVICES

An Advisor may provide employee education services by conducting meetings with employers and employees on an annual, semi-annual or quarterly basis or at other times as you may agree with your Advisor. The scope of the meetings will be for a group or on an individual basis and can be conducted either on-site or via tele-conferencing as you agreed with your Advisor. An Advisor may conduct employee surveys to determine interest in specific topics and provide other communication services to employees regarding investment education. Finally, Advisors may assist in employees with enrollment and re-enrollments into the Plan.

Types of Investments

In our capacity as a broker-dealer, investment adviser and insurance agency, we and our Advisors may offer a wide variety of platforms, products and services to clients. As a general matter, Advisors are free to choose the products and services they make available to clients subject to applicable rules and regulations, suitability, appropriate licensure and other policies and procedures. Some Advisors may not consider or be able to offer all of the products and services available through our company.

In some instances, recommendations to one client may be considered appropriate for another one of our other clients. Advisors may recommend similar investments to numerous clients with similar or identical investment objectives or to clients with different objectives. Despite such similarities, recommendations relating to investments and the performance resulting from such recommendations will differ from client to client. We will not necessarily make the same recommendations for all eligible clients. Therefore, not all clients will necessarily be able to participate in the same investment opportunities or participate on the same basis.

You should promptly notify us if there is ever any change in your financial situation or investment objectives since it make cause us to review, evaluate, or revise our previous recommendations and services to you.

As of December 31, 2010, we managed approximately \$9,250,000,000 in assets for approximately 42,700 clients. Approximately \$4,000,000,000 is managed on a discretionary basis, and approximately \$5,250,000,000 is managed on a non-discretionary basis as defined under SEC interpretations.

Fees and Compensation

Fees

Advisors charge Plan clients for the services above either a flat fee or an asset-based charge in accordance with the ranges described below. Fees for services are negotiable and may vary depending on the facts and circumstances of a specific Plan, such as the scope of services to be provided, the duration of services and the size of the Plan client, such as the number of employees, amount of assets and other demographic factors. Our flat fees generally range from \$10,000 to \$100,000, but can be more or less as agreed to with your Advisor; asset-based fees are based upon the market value of the Plan assets and generally range from 0.25% to 1.00% of Plan assets. In accordance with ERISA and corresponding interpretations, an Advisor may offset their fees by the amount of payments, if any, received from other sources.

GENERAL INFORMATION ON OUR FEES

You may pay an asset-based on a quarterly basis in advance or arrears, as determined between you and your Advisor. All fees are negotiable, subject to the maximum amounts set forth above. We may waive or charge a lesser fee from time to time for our services. The fees we charge may be higher or lower than those charged by other advisers for comparable services. The fees that we charge to manage assets in your account may be more than the amount you would pay us to buy or sell securities on a commission basis in a non-managed account.

OTHER INFORMATION ON FEES AND COMPENSATION

You may pay advisory fees to us by check, wire, or by authorizing the deduction of fees from an account with us. If you authorize us to deduct fees from your account, you are responsible for fees, charges and other costs associated with the fee deduction. When fees are deducted from accounts, the Advisor or account custodian will send you information reflecting the amount of fees deducted and the asset value upon which the fee is calculated. You will receive a statement at least quarterly from your account custodian showing all amounts disbursed from your account, including the advisory fees paid to us. In the event that we bill you directly for our fees, payment is due upon receipt of our invoice.

Our Advisors may offer a wide variety of securities products and services since we are a broker-dealer, investment adviser and insurance agency. In addition, the commissions, fees and other forms of compensation paid in connection with the purchase or sale of products and services vary. Accordingly, Advisors may have a conflict of interest to the extent they recommend products or services that pay more compensation than other similar products or services available through us.

Although we are an insurance agency, we typically do not sell fixed or general account life insurance products or annuities other than certain equity index annuities. Some of our Advisors, in their individual capacities as insurance agents may recommend you purchase fixed or general account insurance products or annuities on a commission basis. As a general matter, we do not oversee and are not responsible for these insurance sales. Our Advisors may also provide advice on corporate or health benefits for clients and receive fees in addition to advisory fees, as allowed by applicable law.

We may recommend various third-party investment vehicles that are subject to initial and ongoing expenses and fees, such as sales loads, servicing fees and management fees. Examples of these collective investments and financial products are mutual funds and variable insurance products. The initial and ongoing expenses and fees of these investment vehicles are disclosed in the applicable offering document of the investment and are payable by you in addition to any fee we and our Advisors charge. If you purchased investments through another firm and transfer them to an account with us, you may likewise pay ongoing fees and expenses to the investment product sponsor, or its affiliates, in addition to the fees we charge. For example, if you purchase mutual funds through another company and subsequently transfer those mutual funds to an account with us, you will typically pay ongoing fees and expenses to the mutual fund company in addition to the fees we charge.

Performance-Based Fees and Compensation

We and our Advisors do not charge performance based fees.

Types of Clients

We provide investment advice to Plan clients qualified under section 401(a), 401(k), 403(b), or 457(b) of the Internal Revenue Code of 1986 and/or subject to the Employee Retirement Income Security Act of 1974 (ERISA) or which are otherwise considered nonqualified.

We also provide investment advice and services to individuals, corporations and other business organizations, trusts, estates and charitable organizations. We generally require a minimum account level of \$50,000 for new accounts of these types of clients although we may waive the account minimum from time to time at our discretion. More information on the services we provide non-Plan clients may be found in our other Client Brochure.

Methods of Analysis, Investment Strategies and Risk of Loss

We analyze investment providers, retirement plan platforms and other service providers by reviewing the background of the vendor, processes used by the vendor and any applicable disclosure documents. We also make available resources from affiliated and unaffiliated third-parties for Advisors to use in evaluating the services to provide their Plan clients. Advisors may perform their own research from third-party resources that are generally available to the public.

While we do not have a firm-wide investment strategy, many of our Advisors recommend various forms of strategic asset allocation. An investment strategy is based upon objectives you define in consultation with your Advisor. You may change these objectives at any time. Other strategies an Advisor may use include long-term buy and hold, short-term purchases, trading, short sales, margin transactions, and option writing (including covered options, uncovered options or spreading strategies).

Any investment or investment strategy involves some risk of loss you should be prepared to bear. Examples of risk you could face are:

- *Interest-rate Risk:* Fluctuations in interest rates may cause investment values to fluctuate. For example, market values of bonds typically decline when interest rates rise because the rising rate makes the existing bond yields less attractive.
- *Market Risk:* External factors independent of a security's particular underlying circumstances may impact its value. The value of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions such as a political or social event or an economic condition.
- *Inflation Risk:* Inflation means a dollar today may buy more than a dollar next year. When inflation is present your purchasing power typically decreases at the rate of inflation.
- *Currency Risk:* Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. Also known as exchange rate risk, these risks may be present in international mutual funds for example. We typically do not recommend purchases of overseas investments.
- *Reinvestment Risk:* The risk that future proceeds from investments may be reinvested at a potentially lower rate of return is reinvestment risk. This risk primarily relates to fixed income securities.
- *Business Risk:* Risks associated with a particular industry or a specific company may impact the value of investments. For example, oil-drilling companies typically have more business risk than electric companies since they depend on finding oil and then refining it efficiently before they may generate a profit. An electric company generates steady income from customers who buy electricity no matter what the economic environment is like.
- *Liquidity Risk:* Liquidity means the ability to readily convert an investment into cash. Assets with many purchasers are generally more liquid. For example, Treasury Bills are highly liquid, while real estate properties are less so.
- *Financial Risk:* A company with excessive borrowing or that takes significant business risks to generate profit is typically at a greater risk of financial difficulty or failure.

Disciplinary History

We have no legal or disciplinary events relating to our firm's advisory services to Plan clients or otherwise. In our capacity as a broker-dealer, we periodically have been subject to administrative sanctions by state and self-regulatory agencies. We have publically disclosed these events in more detail on our broker-dealer Form BD and the Investment Adviser Public Disclosure system. A summary of the events is provided below for your reference.

On July 15, 2009, we agreed to pay FINRA, our broker-dealer regulator, \$7,500 for failing to timely report all necessary information regarding the purchase and sale of municipal securities in accordance with the systems and manner required by FINRA.

On October 5, 2007, we agreed to pay FINRA, our broker-dealer regulator, \$12,000 for failing to timely file termination notices of registered representatives and other reports regarding certain events related to our broker-dealer activities.

On July 14, 2006, we agreed to pay FINRA, our broker-dealer regulator, \$7,500 for failing to keep evidence and records of checks received in our blotter in accordance with SEC and FINRA rules.

On March 22, 2004, we agreed to pay NASD (predecessor to FINRA), \$25,000 for allegedly allowing misleading advertising and sales literature to be used with customers.

On April 27, 2000, we paid the State of Florida Division of Securities \$10,000 for failing to timely register a branch location in the state of Florida.

Other Financial Industry Activities or Affiliations

We estimate that our broker-dealer services comprise approximately 60% of our business. As a broker-dealer, we introduce accounts on a fully disclosed basis to custodian/clearing firms we or you engage from time to time. We or your Advisor may receive compensation, in addition to the advisory fees you pay, when portfolio transactions are effected on behalf of investment advisory clients through our broker-dealer. We may receive compensation as a result of acting in one or both capacities. We and your Advisor may receive securities commissions or fees from third parties if you purchase investment products through us. Any such receipt of compensation will be made in accordance with applicable law. The potential for such payments may create a conflict of interest to the extent we recommend products for which we receive additional compensation.

We are owned by National Financial Partners Corp. (NFP), which owns other investment advisers, broker-dealers, insurance agencies and other product and service providers (NFP Affiliates). From time to time, we may recommend that the purchase or sale of products and services of or through NFP Affiliates and these NFP Affiliates, as well as our firm, may receive compensation as a result. Such a recommendation may be deemed to create a conflict of interest since it could result in increased compensation to an NFP Affiliate, our firm and your Advisor. By way of example, we are affiliated with various insurance agencies and brokers through which you may purchase or sell insurance. Advisors may also be licensed insurance agents or assist you to buy or sell your insurance policy. Your Advisor may recommend that you purchase or sell insurance through an affiliated insurance agency or broker and that affiliate would receive compensation in connection with the transaction. Whether or not the services of an affiliate are utilized, your Advisor may receive compensation from your purchase or sale of insurance in

addition to any advisory fees you pay him or her. Our affiliation with such insurance agencies and brokers, and the additional compensation an Advisor may receive irrespective of our affiliation, creates a conflict of interest to the extent our affiliates or Advisors receive compensation in addition to the advisory fees you pay us.

As a general matter, we do not oversee and are not responsible for overseeing the sale of fixed or general account insurance products or annuities sold a commission basis by an Advisor in their individual agent capacity. The recommendation to purchase a commission product presents a conflict of interest since the receipt of commissions may provide an incentive to recommend you insurance products based on commissions to be received, rather than your particular needs. You are under no obligation to purchase any commission products from our Advisors.

Also, as a broker-dealer, our registered representatives, some of whom are Advisors, have the ability to offer various investment products to advisory clients. Such products include hedge funds, limited partnerships and privately offered securities. Generally, you must meet certain financial, experience or risk tolerance requirements before you may invest in such products through us. In some instances, the general partner of partnerships offered through us may be an NFP Affiliate. The partnerships of these NFP Affiliates may invest in securities or interests of other partnerships and are typically structured as fund of funds investments. We disclose NFP Affiliates that are investment advisers in Part I of our Form ADV, which is publicly available on the Securities and Exchange Commission website (www.sec.gov). Additional information about the applicable NFP Affiliate investment adviser may be found in their brochure.

An example of our relationship with other NFP Affiliates includes our ability to recommend the insurance services available through NFP Insurance Services, Inc. (NFPSI). NFPSI is an insurance brokerage through which our Advisors may sell insurance products. Advisors recommending that you purchase insurance may utilize the services of NFPSI and we and your Advisor may directly or indirectly receive compensation in addition to advisory fees you pay. The use of NFPSI to purchase insurance creates a conflict of interest since we, your Advisor and our affiliate may receive compensation in addition to advisory fees you pay. Advisors may provide insurance products and services unrelated to our services through an NFP Affiliate. Our Advisors' use of an NFP Affiliate's products or services may create conflicts of interest to the extent we, our Advisor or an NFP Affiliate directly or indirectly receive additional compensation as a result of recommending or selling products or services of or through the NFP Affiliate.

Some of our registered representatives and Advisors are registered with or affiliated with an investment adviser other than our firm. You should read the brochure and any other materials provided by these other investment advisers for information regarding their services and fees if you decide to engage them.

Some of our Advisors may participate in incentive trips and receive other forms of non-cash compensation based on the amount of their sales through NFPSI, affiliated marketing groups or non-affiliated marketing groups or product manufacturers. To the extent your Advisor participates in an incentive trip or receives other forms of non-cash compensation, a conflict of interest exists in connection with the Advisor's recommendation of products and services for which they receive these additional economic benefits. Such trips and incentives are generally not conducted in concert with the fiduciary services provided to Plan clients described herein and, in any event, would be conducted in accordance with ERISA and applicable law.

Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

We maintain a written code of ethics in accordance with the Advisers Act that is intended to create an ethical culture for our firm. Our code of ethics requires our personnel and Advisors to treat sensitive information confidentially, not misuse material non-public information about client transactions, report violations of the code and comply with federal securities laws. The code of ethics also requires certain personnel and Advisors to report their personal securities holdings. We will provide a copy of our code of ethics upon request.

Our 401(k) plan, or other retirement plan accounts that our Advisors may have an interest in, could invest in funds and investments which you may also invest in or that we recommended you to buy or sell. Our personnel and Advisors may invest for their own account in interests in investment partnerships, venture capital vehicles, and hedge funds and other commingled products or individual investment accounts managed by other advisers we have recommended to you as well. These entities and managers may also separately buy or sell investments that you buy or sell for your own account or that we have recommended to you. Generally, our Advisors and personnel have no ability to influence or control these entities' transactions in securities. If such influence or control did exist, our personnel and Advisors would be subject to policies on employee trading described in our code of ethics and compliance manual to address this conflict of interest. Our parent company, National Financial Partners Corp. (NFP), is publicly traded and our personnel and Advisors may have an interest in shares of NFP. You may have also have purchased or sold securities of NFP or could buy or sell NFP securities in the future and we and our Advisors may recommend you purchase or sell NFP. To address these potential conflicts of interest, in no event will we recommend or cause you to enter into transactions for the purpose of benefiting the direct or indirect securities holdings of our affiliates or personnel.

Our employees and Advisors may invest for their own accounts in securities which may also be recommended, purchased or sold for you as our advisory client. Our code of ethics requires Advisors to place the interests of clients before their own interests. Our compliance department reviews personnel and Advisor trades each quarter in an effort to ensure that their personal trading does not impact trades for clients and that our clients receive preferential treatment. Personal trades which consist of mutual funds or exchange traded-funds will typically not have an impact on client trading or impact securities markets.

Brokerage Practices

The following disclosures describe our brokerage practices, which are generally more applicable to our individual retail clients.

Our Advisors will oversee and direct the investments of your accounts subject to any limitations you may impose on us in writing. We have an obligation to seek to obtain best execution for transactions in your account for which we provide investment management services. To the extent you have imposed a limitation on brokerage selection, or have directed us or the Advisor to utilize a certain broker-dealer, we will not have the ability to negotiate commissions among various brokers or to obtain volume discounts. We also may not achieve best execution and you may pay higher commissions, transaction cost, and receive less favorable net prices than other clients as a result.

As a broker-dealer, we may execute transactions for you as an advisory client. We may receive compensation as a result of acting as an investment advisor, a broker dealer or both. We or your Advisor may receive compensation, in addition to the advisory fees charged to your account, when we execute portfolio transactions for you. We conduct these transactions in accordance with applicable rules and regulations and in a manner designed to treat you and other clients fairly and equitably over time. Our policies and procedures require us to provide appropriate disclosures to you such as compensation received by us and or our registered representatives for these transactions. Such transactions may include our acting as a selling agent on a best efforts basis for new issues of fixed income securities that you have purchased in your account. In this regard, we may rely upon our relationship with a third party broker-dealer named Advisors Asset Management, Inc. (AAM) to complete transactions in fixed income securities. We may receive both normal and customary transaction related compensation as a selling agent of fixed income securities as well as advisory fees on the fixed income security in your advisory account. Through our relationship with AAM, as a broker-dealer, we also receive a percentage of the concessions AAM charges on fixed income security orders they execute for us. This arrangement may be deemed to create a conflict of interest since it results in increased compensation to us even though we are performing separate services for you.

We will allocate partially completed trades either in a pro-rata, a random fill or other method designed to treat you and all our clients fairly and equitably over time. The commissions we charge may be higher or lower than those charged by other broker-dealers. We correct trade errors arising from transactions in your account at our expense; however, we reserve the right to retain any gains that may arise from correcting such errors.

We may effect agency-cross transactions for you as an advisory client subject to applicable rules and regulations. Agency-cross transactions are when we cause a security to be transferred from one account to another. We will perform agency cross transactions at an independently determined market price and without incurring brokerage commissions, although customary custodian fees and transfer fees still will apply and be received by us. In agency-cross transactions, we act as broker-dealer for both buyer and seller of a security, though both may not be investment advisory clients of ours as well. We will not effect such agency transactions if we have absolute trading discretion over both parties. We will only perform cross-trades if we believe they are in the best interest of each client and after we obtain prior approval. We obtain prior approval from you under our standard client agreements. We do not typically act in a principal capacity when initiating any trade order for advisory accounts; however, our respective clearing/custodial firms may do so when executing a trade order for you. A principal capacity means the clearing/custodial firm sells you the security from their own inventory rather than finding another seller in the market. We handle any principal trades in an advisory account in accordance with applicable law.

We do not direct client securities transactions to obtain research benefits or other benefits, otherwise known as “soft-dollars.”

We and our Advisors may, but need not, aggregate or “bunch” orders for your account. Where we believe aggregation is appropriate and practicable or that it will result in a more favorable overall execution for you, we will allocate such bunched orders at the average price of the aggregated order. You will still pay the same ticket charges on any bunched or aggregated orders. Our Advisors may not include personal trades with aggregated or bunched orders for your accounts. Aggregation does not benefit client trades in mutual funds or exchange-traded funds and therefore we do not aggregate trades of these securities.

If you direct us to use a certain broker for transactions in your account, we will not have authority to negotiate commissions among various brokers or to obtain volume discounts and best execution may not be achieved. You may pay higher commissions or transaction costs and receive less favorable net prices than other clients. For trades in fixed income securities in a managed account, we may retain trading

authority and remain obligated to obtain best execution of such trades in your account. In these circumstances, we will often use AAM to assist us in trading fixed income securities.

We may effect transactions for your account through broker-dealers that refer us advisory business. The use of such broker-dealers for trades in your account creates a conflict of interest since we have an incentive to increase referrals to our company. Through our relationship with AAM, we also receive a percentage of the concessions AAM charges on fixed income security orders executed by AAM on behalf of our firm. The use of AAM on trades for your account creates a conflict of interest since we have an incentive to increase compensation to our company. Commissions and fees may be higher or lower than those that may be charged by other broker-dealers.

Review of Accounts

Our Advisors will contact you, and typically meet with you at least annually, to review the performance of your account and any changes to your Plan's financial situation and investment goals and objectives. In addition, our Advisors typically review the quarterly performance report received from your account custodian. Advisors may also perform account reviews more frequently when market conditions dictate. Other conditions that may trigger a review are changes in laws, new investment information, and changes in your own situation. We also require you, in our standard client agreement, to inform your Advisor promptly of any changes to your information, including changes to your financial situation or investment objectives and policies. You will receive confirmations of all transactions, monthly statements and/or quarterly performance reports from the designated custodian of your Plan assets. Our Advisors and our home office personnel are typically available during normally business hours to answer questions or concerns you may have.

Client Referrals and Other Compensation

We may compensate affiliated and unaffiliated third-parties called "solicitors" to refer to us clients and prospects they believe would benefit from our investment advisory services. Any such arrangements with an unaffiliated third-party will be designed to comply with the Advisers Act, which requires, among other things, that you receive this brochure, we execute an agreement with the solicitor, and that you receive a compensation disclosure statement detailing the amount we will pay the solicitor that referred you.

We may also enter into arrangements where we and our Advisors refer you to affiliated and unaffiliated investment advisers that will provide advisory services to you. When we make such a referral, we and our Advisor will typically receive a portion of the total fee the investment adviser charges you for so long as they provide you services. We and your Advisor may also receive a transaction fee for such services as a solicitor. Any such arrangements will be designed to comply with the Advisers Act and ERISA.

We may receive securities commissions, service fees, 12b-1 fees and other third-party payments if you implement our recommendations through our broker-dealer. A portion of such compensation may be paid to your Advisor in accordance with ERISA. Relative to your mutual fund purchases, for the period in which you maintain an investment with the mutual fund, we and your Advisor may receive ongoing 12b-1 fees directly from the mutual fund company or on-going fees from the adviser, underwriter or distributor of the mutual fund company. There is a conflict of interest when we recommend these products or services since they could result in increased compensation to us and our Advisors.

We may also act as a selling agent on a best efforts basis in our capacity as a broker-dealer for new issues of fixed income securities which our Advisor may purchase for your account. In such transactions, we may receive both normal and customary transaction related compensation as a selling agent for the new issue fixed income security as well as advisory fees on the fixed income security in your advisory account. We have entered into an agreement with AAM to assist us in executing fixed income transactions. The relationship with AAM pays us compensation for order flow based upon the total amount of fixed income securities executed through AAM. The amount of compensation is a percentage of the concession charged by AAM for executing fixed income transactions. We receive 20% of the concession AAM charges if the amount of fixed income trades AAM executes for all our clients, advisory and brokerage, totals up to \$2,000,000. We receive 25% of the concession AAM charges if the amount of fixed income trades AAM executes for all our clients, advisory and brokerage, is greater than \$2,000,000. The use of AAM to place trades in advisory client accounts creates a conflict of interest since we have an incentive to utilize their services and increase compensation to our company, however these services are not performed for Plan clients.

If your Advisor is also a registered representative of our firm, our another broker-dealer, your Advisor may receive, or may have already received, compensation in connection with products or services purchased for you in addition to any advisory fees you pay us. Similarly, many of our Advisors are independent insurance agents that sell insurance through our NFP Affiliates. As such, the Advisors and NFP Affiliates may receive compensation in connection with your purchase of securities or insurance in addition to any advisory fees you pay us in accordance with applicable law. These relationships create a conflict of interest as they result in increased compensation to us, your Advisor or NFP Affiliates.

We may receive both financial and non-financial support from certain mutual fund, insurance and other companies or their affiliates based upon the sale of such companies' products by us. These payments are in addition to the sales charges, rule 12b-1 fees, service fees, redemption fees, deferred sales charges and other fees and charges described in the prospectus fee tables or offering documents of the various products. Additional information regarding the companies and amounts and types of compensation we may receive is available on our web site at <http://www.nfpsecurities.com/home/company.asp>. If you do not have access to our web site, you may contact your Advisor or our home offices for additional information. These relationships create a conflict of interest as they result in increased compensation to us, your Advisor or our affiliates.

We may charge a non-refundable due diligence fee to third-party managers or product sponsors considered for inclusion in our investment platforms available to Advisors. Paying such fee does not guarantee acceptance on any of our platforms or access to our Advisors. We do not share these fees with our Advisors. Initial fees charged may be up to \$5,000, depending on the complexity of the manager and the resources we need to perform the due diligence. Thereafter, the due diligence fee is typically \$1,500 annually, but may be more or less than this amount based upon the third-party manager and the nature of its services. We may waive these fees from time to time.

Custody

We and our Advisors do not hold or maintain your assets. Third-party qualified custodians hold and maintain your assets and those custodians provide account statements directly to you at your address of record at least quarterly. We urge you to compare the account statements you receive from your account custodian with any performance report or statements we, our service providers or our Advisors may create for you.

Investment Discretion

Unless we grant specific authority and approval to your Advisor, your Advisor is typically not granted absolute trading discretion on Plan client assets. Absolute trading discretion means placing a trade in your account without your approval.

Voting Client Securities

We do not, nor our Advisors, vote proxies for any clients.

Financial Information

We do not have any financial condition likely to impair us from meeting our contractual commitments to you.

Miscellaneous

Termination of Accounts

Typically both you and our company have the option under our standard agreements to terminate the agreement upon 30 days prior written notice. In addition, you have the right to terminate the contract without penalty within five (5) business days after entering into the contract. If you pay a fee in advance, fees will be pro-rated from the termination date and refunded to you.

Compliance Policies and Procedures

We maintain written compliance policies and procedures as required by the Advisers Act.

Anti-Money Laundering Program

We maintain an anti-money laundering program in accordance with applicable regulations.

Business Continuity Plan

We maintain a business continuity plan designed to minimize the impact of disasters, emergencies and other unforeseen circumstances on our services and communications. A description of our Business Continuity Plan is available on our website at <http://www.nfpsecurities.com/home/company.asp>, or by contacting your Advisor or our home office.

JEFFREY JASON SCOTT
1139 SO. OREM BLVD , OREM , UT, 84058
801-224-9600

NFP Securities, Inc.

1250 Capital of Texas Highway, South
Austin, Texas 78746
800-880-0080 (p)
512-697-5000 (f)
<https://securities.nfp.com/webfiles/public/securities/company.htm>

Brochure Supplement

(Part 2B for Form ADV)

Dated: Mar 02, 2012

This Brochure Supplement provides information about JEFFREY JASON SCOTT that supplements the NFP Securities, Inc. Brochure. You should have received a copy of that Brochure. Please contact your representative if you did not receive NFP Securities, Inc.'s Brochure or if you have any questions about the contents of this supplement.

Additional information about JEFFREY SCOTT is available on the SEC's website at www.adviserinfo.sec.gov.

Educational Background and Business Experience

Prior to providing advisory services through our company, we require our investment advisor representatives (Advisors) to be properly licensed and registered.

Professional Certifications:

Professional designation: Accredited Investment Fiduciary

Description: Accredited Investment Fiduciary

Minimum qualification: Complete 2 day classroom instruction or self study program and pass a 60 question exam. Must comply with code of ethics.

Issuing institution: Center for Fiduciary Studies

Issuing institution Website: www.fi360.com

Continuing Education Requirements: 6 hours continuing education annually.

JEFFREY JASON SCOTT

Year of Birth: 1974

Educational Background:

School Type: College
Name of School: BYU
Degree Received: BACHELOR OF SCIENCE
Field of study: FINANCE
Date: 09/01/1996 - 04/01/1999

School Type: College
Name of School: BRIGHAM YOUNG UNIVERSITY-IDAHO
Degree Received: ASSOCIATE DEGREE
Field of study:
Date: 09/01/1992 - 05/01/1996

Business Experience (past five years):

Organization: NFP
Position Held: REGISTERED REPRESENTATIVE
City: OREM
State: UT
Date: 10/01/2010 - Present

Organization: FIRSTWEST BENEFIT SOLUTIONS
Position Held: CONSULTANT
City: SALT LAKE CITY
State: UT
Date: 01/01/2008 - Present

Organization: SLEEPING INDIAN RANCH LLC
Position Held: MEMBER
City: SALT LAKE CITY
State: UT
Date: 05/01/2005 - 12/01/2007

Disciplinary Information

Registered investment advisers (RIAs) must disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing you investment advice.

There is no disciplinary event to report for IAR JEFFREY JASON SCOTT.

Other Business Activities

Our Advisors may also be registered representatives of our broker-dealer and provide investment products on a commission basis. As a general matter, we require our Advisors to register as representatives of the broker-dealer and our Advisors are free to choose the products and services they make available to clients subject to applicable rules of suitability, appropriate licensing, and our policies and procedures. Some Advisors may not consider or be able to offer all of the products and services available through our company. In addition, many of our Advisors also act as insurance agents

independent from our firm. Some of our Advisors, in their individual capacities as insurance agents, may recommend you purchase fixed or general account insurance products or annuities on a commission basis. Although some of these insurance agencies may be affiliated with our firm, we are not responsible for sales and services conducted through these other companies. The recommendation to purchase a commission-based product presents a conflict of interest because commission amounts vary and Advisors may be incentivized to recommend products paying higher commissions. You are under no obligation to purchase any products from our Advisors. Relative to your product purchases, your Advisor may receive ongoing distribution and service fees directly from product sponsors, or on-going fees from the Advisor, underwriter or distributor of the product.

Additional Compensation

JEFFREY SCOTT may offer a wide variety of securities products and financial services through our firm. The commissions, fees and other forms of compensation paid to an Advisor in connection with the purchase or sale of products will be in addition to the fees paid by you for investment advice.

Supervision

We have adopted a system of compliance and supervision we believe is reasonably designed to oversee the activities of our Advisors in accordance with applicable law. We assign supervisors to oversee the activities of our Advisors conducted through our company. The designated supervisor of an Advisor may vary from time to time. Ryan Peshorn manages the department responsible for monitoring the activities of our Advisors and may be contacted at 800-880-0080 should you have any questions or concerns regarding your Advisor.



Memo

To: Mayor and City Council
From: Chris Thompson, Public Works Director/City Engineer
Date: March 16, 2012
Re: Crab Creek Transmission Line, Change Order 5

Staff Report

In order to keep the new chlorination building in power service during a long outage, city staff recommends proper additional electrical equipment be installed as part of the project. The change to the building plans will allow the building to be connected to a backup generator. The contractor, Condie Construction, gave us a cost of \$2,229.41 to install and supply the additional electric system.

There is capital project money available to pay for this amendment in the drinking water capital facilities budget. We recommend that the city council approve Change Order number 4 to Condie Construction for the amount of \$2,229.41.

Attached: change order



Spanish Fork City

Contract Change Order

Change Order Number: **5**

Contract for	Crab Creek Transmission Line Phase I	Date: 03/16/2012
Owner	Spanish Fork City	
To	Condie Construction	

You are hereby requested to comply with the following changes from the contract plans and specifications:

Description of Changes (Supplemental Plans and Specifications Attached)	Decrease in Contract Price	Increase in Contract Price
Install Electric Transfer Switch for Generator Backup		\$ 2,229.41
TOTALS :	\$ -	\$ 2,229.41
NET CHANGE IN CONTRACT PRICE :	\$ -	\$ 2,229.41

JUSTIFICATION

The Chlorination bulinding needs a transfer switch for generator backup.

The amount of the contract will be increased by the sum of : Two Thousand Two Hundred Twenty-Nine Dollars and Forty-One cents
Dollars \$ 2,229.41

The contract total including this and previous change orders will be : One Million Nine Hundred Sixty-Four Thousand Seven Hundred Dollars
Dollars and Seventy-Six Cent: Dollars \$ 1,964,729.76

This document will become a supplement to the contract and all provisions will apply herein.

Requested: _____
Finance Director

Date: _____

Recommended: _____
Mayor

Date: _____

Accepted: _____
(Contractor)

Date: _____



PRELIMINARY PLAT

REPORT TO THE CITY COUNCIL WHITE RAIL PRELIMINARY PLAT

Agenda Date: March 20, 2012.

Staff Contacts: Dave Anderson, Community Development Director.

Reviewed By: Development Review Committee, Planning Commission.

Request: Lewis Bankhead is requesting Preliminary Plat approval for an 87-lot subdivision located in the R-1-6 Zone.

Zoning: R-1-6.

General Plan: High Density Residential.

Project Size: 26.14 acres.

Number of lots: 87.

Location: approximately 900 North State Road 51.

Background Discussion

The City has fielded a number of development proposals in recent years for the properties that are now included in the proposed White Rail subdivision. This proposal is the first that has been presented that would have the subject property develop as a standard subdivision.

This proposal involves having the property divided so as to ultimately create 87 lots, 1 of which would be utilized by an existing Residential Treatment Center that is on the subject property.

As currently proposed, the project meets the City's requirements for standard subdivisions in the R-1-6 Zone. As such, City staff has recommended that the proposed development be approved.

Development Review Committee

The Development Review Committee reviewed this request in their February 29, 2012 meeting and recommended that it be approved. Draft minutes from that meeting read as follows:

White Rail

Applicant: Lewis Bankhead
General Plan: High Density Residential
Zoning: R-1-6
Location: State Road 51 and 800 North

Kelly Peterson said the Power Department has not reviewed the plans yet.

Kelly Peterson will work with LEI on the utilities. He explained that the power project on the north end is going to be expensive, so he suggested starting on the south end of the subdivision.

Brian Gabler stated that he had explained this to the applicant but the applicant wanted to start from the north to the south for other reasons and accepted that the electrical would be more expensive starting from the north.

Dave Anderson asked what the phasing plan is.



Brian Gabler said from north to south.

Dave Anderson said the road cross section standards would call for a different design for State Road 51, 10-foot park strip, 5-foot walk and a 5-foot planter.

Jered Johnson said he has reviewed the plat and it meets the City's standards.

Dave Anderson said this plat will be on the Planning Commission's agenda next week, on March 7th.

Kelly Peterson **moved** to **approve** the White Rail Preliminary Plat subject to the following conditions:

1. That the design for State Road 51 crossroad section be changed to include a 10-foot park strip, 5-foot walk, and a 5-foot planter.
2. That UDOT's approval for accesses onto State Road 51 be obtained before any Final Plats are approved.
3. That the applicant meet the Power Department's requirements including any requirements related to the phasing of the development.
4. That the applicant meet all City development standards.

Jered Johnson **seconded** and the motion **passed** all in favor.

Planning Commission

The Planning Commission reviewed this request on March 7 and recommended that it be approved. Draft minutes from their meeting read as follows:

White Rail

Applicant: Lewis Bankhead
General Plan: High Density Residential
Zoning: R-1-6
Location: State Road 51 and 800 North

Mr. Anderson handed the Commissioners copies of the proposed plat and the notes from the neighborhood meeting that the applicant had held.

Mr. Anderson explained that there had been several different submissions for development on this property. The proposal before the Commission tonight is consistent with the General Plan and zoning. A Master Planned Development was previously approved for this property and is still valid. Staff recommends that the proposal be

approved subject to a few conditions. Mr. Anderson went over the conditions.

Chairman Christianson asked Mr. Anderson to refresh his memory regarding the original approval and Zone Change of the proposal as his recollection was that the Zone Change was approved contingent with the Master Planned Development. He expressed his frustration with the City not getting concessions when it comes to development.

Commissioner Evans expressed that it was unfortunate that concessions would not be met from a previous approval but that it is what it is and the Master Planned Development is irrelevant.

Commissioner Stroud asked if there was a development agreement when the property was re-zoned. Mr. Anderson said no. Commissioner Stroud said if there was not a development agreement and the R-1-6 zone is there than there is not anything binding with regard to concessions for this parcel.

Chairman Christianson asked if conditions of approval carry any legal weight.

Mr. Sant said yes.

Mr. Anderson said that by right today the applicant can request development approvals in accordance with the zoning that is in place. He further explained that he had heard more than one opinion with regard to whether or not cities could impose conditions with a Zone Change. Because a Zone Change is a legislative action and that we do not attach conditions to their approval. That is why Zone Changes are a big deal. Once the rights are assigned to a specific property, property owners are allowed to exercise those rights.

Commissioner Evans asked Mr. Sant if a Zone Change could be granted conditionally. Mr. Sant said no.

Chairman Christianson asked if there was a way for the City to learn from this situation so that the City would stop getting duped. He said he had been on the Commission for six years and had heard continual promises for concessions and then they don't get built or the developer changes their mind and change the plats. He said that he felt commitments were two sided and that it keeps coming back that the City doesn't get any of the promised amenities.

Mr. Anderson said that he shared the same concern. His recollection was that typically it was with Master Planned Developments.

Chairman Christianson asked if the City needed to approve a Master Planned Development with every approval then.

Mr. Anderson said that the City had not had a situation where an applicant was going from a Master Planned Development to a standard subdivision. This is a case where the applicant is foregoing whatever consideration, whatever bonus they were awarded by the City.

Chairman Christianson said that they had lower density to start with when the project was originally approved. The Commission approved it with the idea that the commitments would be met.

Mr. Anderson said that he understood what Chairman Christianson was saying but that he felt this property should be zoned R-1-6 and that the City should be comfortable with a development that conforms to the standards of the R-1-6 zone.

Commissioner Evans expressed that, regardless of the history, if someone came to the City requesting that this property be zoned R-1-6 that the City would change it. Mr. Anderson agreed.

Mr. Anderson said that concessions in his mind were a function of Master Planned Developments. He said that if the Commission was comfortable approving a Master Planned Development for this property, then in his opinion, we should be very comfortable approving this proposal.

Commissioner Stroud asked what the previous number of units was (over 100).

Lewis Bankhead

Mr. Bankhead expressed that one thing they were very careful to do was to renew the current entitlement that exists with 100 lots. They feel this new proposal is an enhancement from the current approval of 100 lots with 40-foot frontages and five-foot setbacks and as they have worked through the economic challenges of this property and have driven around asking what will this really look like they felt like it wouldn't be an enhancement to the neighborhood to proceed with the Master Planned Development.

Commissioner Evans expressed that he felt the proposal was quite appropriate.

Chairman Christianson asked Mr. Burdick how many lots they could construct before a second access would need to be constructed. Mr. Burdick said it was 50 homes.

Commissioner Evans asked if the extension of Expressway Lane was indeed going to be a dead end.

Mr. Burdick said that the master Transportation Element shows the road north of the project.

Mr. Anderson said it was a crossing that the City would like to have relocated.

Mr. Bankhead said his basic feeling was that to go from 40-foot wide lots up to 50, five-foot side yard setbacks to ten and 100 lots to 87 is an enhancement.

Discussion was held regarding the removal of the extension of Expressway Lane through this project.

Chairman Christianson invited public comment.

Stuart Tanner

Mr. Tanner said that the Commission was talking about allowing 50 lots subject to conditions. He asked who would be enforcing them because no one enforced the conditions on the first approval. He said that the City was not enforcing it and that planning and zoning was a joke.

Mr. Anderson told Mr. Tanner that he was welcome to come in and talk to him anytime. He then explained that should this proposal get approved tonight, per the proposed design, that at any point of the life of the project, unless the City Council changes their approval of the project, you can look at any of the plats and they will match the approved design perfectly; however, if the City Council decides to change any part of how the project has been approved then staff will check to make sure that things will be constructed according to the changed plan.

Mr. Tanner expressed that he felt the Commission should not be approving a Master Planned Development because they could not enforce any of the stipulations.

Mr. Tanner asked how the Commission was going to enforce things in the future because people could let their time burn out and then come back to the City for another approval.

Commissioner Evans said, in terms of a Zone Change, that Mr. Tanner was correct, but not in terms of a Master Planned Development.

Mr. Anderson explained that zoning is zoning. It is the law and people are expected to follow it. There is not a mechanism whereby something can automatically revert without another legislative action being taken.

Discussion was held regarding access and the railroad crossing.

Commissioner Evans asked Mr. Sant if he could help the Commission understand, in the future, if they could set conditions on Zone Changes. Mr. Sant said that he could look into it.

Commissioner Evans **moved** to recommend **approval** of the White Rail Preliminary Plat subject to the following conditions:

Conditions

1. That the design for State Road 51 cross-section be changed to include a 10-foot park strip, 5-foot walk, and a 5-foot planter.
2. That UDOT's approval for accesses onto State Road 51 be obtained before any Final Plats are approved.
3. That the applicant meet the Power Department's requirements including any requirements related to the phasing of the development.
4. That the applicant meet all City development standards.

Commissioner Stroud **seconded** and the motion **passed** all in favor by a roll call vote.

Budgetary Impact

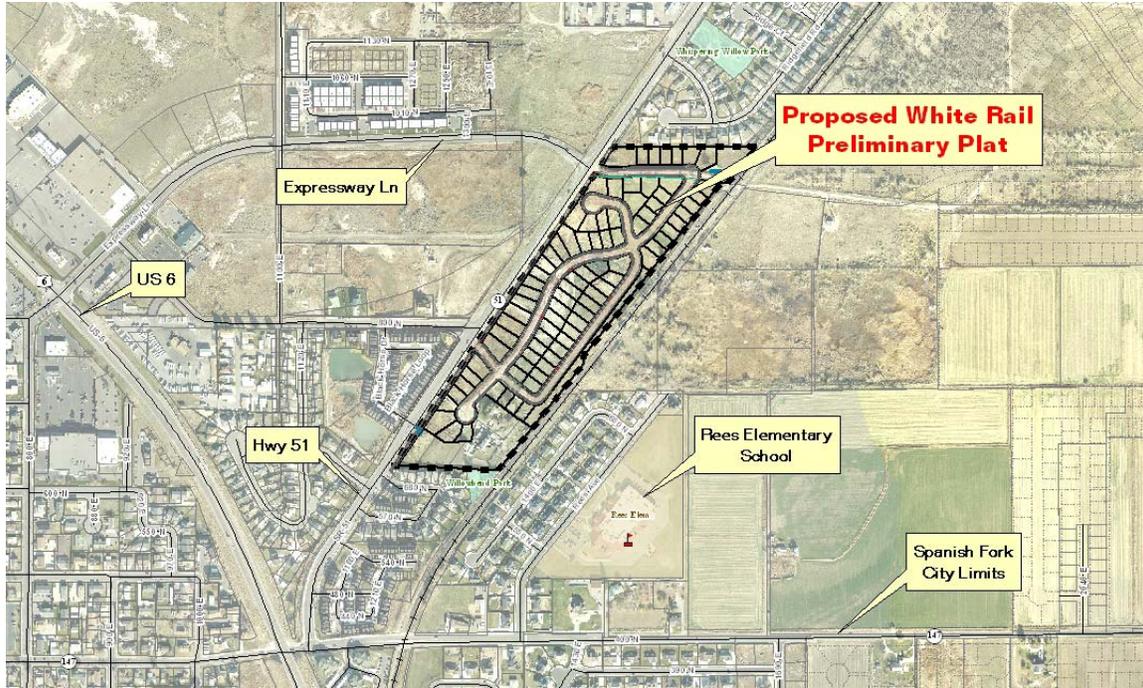
There is no immediate budgetary impact anticipated with the approval of this plat.

Recommendation

Staff recommends that the proposed Preliminary Plat be approved subject to the following conditions:

1. That the design for State Road 51 crossroad section be changed to include a 10-foot park strip, 5-foot walk, and a 5-foot planter.

2. That UDOT's approval for accesses onto State Road 51 be obtained before any Final Plats are approved.
3. That the applicant meet the Power Department's requirements including any requirements related to the phasing of the development.
4. That the applicant meet all City development standards.





PRELIMINARY PLAT

REPORT TO THE CITY COUNCIL HAWK LANDING PRELIMINARY PLAT

Agenda Date: March 20, 2012.

Staff Contacts: Dave Anderson, Community Development Director.

Reviewed By: Development Review Committee, Planning Commission.

Request: Gordon Dawe is requesting Preliminary Plat approval for a 7-lot subdivision in the R-1-8 Zone.

Zoning: R-1-8.

General Plan: Medium Density Residential.

Project Size: 1.463 acres.

Number of lots: 7.

Location: 2292 East Canyon Road.

Background Discussion

The proposed subdivision has been approved by the City twice before. In each of those cases, the project lost its approval after an extended period of inactivity.

This proposal involves having the property divided into seven lots that all meet the City's requirements for residential lots in the R-1-8 Zone. An existing home would be incorporated into one of the lots.

There are a few issues with the proposed development that have caused our staff to spend more time discussing options and alternatives than what is typical with a standard subdivision.

The most significant issue has to do with language that has been adopted in the City's Transportation Element of the General Plan. In short, this language advises that driveways should not be permitted onto collector and arterial class roads. Staff believes driveways should not typically be permitted onto a street like 2300 East. Staff has worked to balance this concern with the applicant's desire to develop the subject property. Again, staff does not like the idea of driveway's connecting with 2300 East. In an effort to address this concern, staff has recommended that the applicant be required to construct the lots, and that improvements be constructed on the lots, so as to have shared driveways that permit vehicles to turn around on the lot, rather than to have to back onto 2300 East.

Staff believes this would accomplish two things. First, it would limit the points of conflict onto 2300 East. While the effect of this may be small, it should be safer than a situation that involved more points of access. Second, providing an option for drivers to turn around on the lot rather than back onto 2300 East should enhance the safety of egress from the lots.

Another concern has to do with rights that adjacent property owners currently enjoy. At present, property owners to the west are allowed to keep



animals all the way to their eastern property line. However, it is conceivable that this could change as homes are built in the Hawk Landing development as large animals are required to be kept a certain distance from all dwelling units. This "buffer" requirement pertains to both dwellings on a property and those on neighboring properties.

In an effort to address this concern, staff has prepared a proposed amendment to Title 15 that would change the buffer requirement. Staff has scheduled a public hearing for the proposed change and will have the proposed language available in your meeting.

One other concern that has been discussed is the potential that the construction of homes and improvements in Hawk Landing will cause flooding on the adjoining properties. Staff believes the best way to address this concern is to require the applicant to submit a grading plan as part of the Final Plat submittal.

All in all, staff believes concerns associated with this proposal can be at least mitigated. Given that thought, the fact that the project has been approved twice before and the fact that the proposal meets all of the City's zoning requirements, staff recommends that the Hawk Landing Preliminary Plat be approved.

Development Review Committee

The Development Review Committee reviewed this request in their February 29, 2012 meeting and recommended that it be approved. Draft minutes from that meeting read as follows:

Hawk Landing

Applicant: Gordon Dawe
General Plan: Medium Density Residential
Zoning: R-1-8
Location: 2292 East Canyon Road

Dave Anderson said this is a standard subdivision, R-1-8 Zone, Medium Density Residential General Plan designation. The biggest issue is driveway accesses onto 2300 East.

Kelly Peterson's phone rang at 10:20 a.m. Mr. Peterson acknowledged that his phone rang and made it clear that he understood the ramifications of that ring.

Dave Anderson said having driveways onto 2300 East is a big concern. He recommends that the plat be approved with shared driveways, having 3

accesses onto 2300 East. The applicant will need to present plans of how the shared driveways will be designed.

Mr. Anderson said the lots in the subdivision west of Hawk Landing are much larger and have large animal rights. Through the approval process it needs to be acknowledged that the owners of the larger lots are able to keep the animal rights up to the property line with no buffer between properties.

Seth Perrins recommended the condition of the animal rights be there forever for larger lots in the subdivision to the west.

Dee Rosenbaum agreed as long as the lot size meets the requirement.

Dave Anderson said he will recommend to Planning Commission and City Council that the lots will forever have animal rights.

Diane Butler asked about the elevation of the homes. The homes to the west of their subdivision were built higher and the neighbors have drainage problems.

Dave Anderson said the City can look at the grading plan for the subdivision.

Discussion was held about the grade of the properties.

Jered Johnson said there is a Connector's Agreement and that the driveway access along Canyon Road will need to be removed.

Kelly Peterson said the Power Department will pull power from the west along Canyon Road, then down 2300 East. Also, the overhead lines on the corner lot will be removed.

Diane Butler said she contacted the police about traffic safety on 2300 East. She asked the Police Department for a comparison of accidents on 2300 East and 1700 East. She shared the information she acquired, which illustrated that there have been several more accidents on 2300 East than 1700 East.

Dee Rosenbaum gave a print out of the comparison.

Diane Butler said there is a big difference, there are a lot more accidents on 2300 East than on 1700 East.

Dee Rosenbaum reported that the road was designed to not have driveway accesses.

Seth Perrins suggested having circular driveways.

Dave Anderson said he doesn't think there is enough room to make circular driveways function. Mr. Anderson then explained that the idea of the shared driveways is intended to call for construction on the lots that would permit people to change direction on the lots and not need to back out onto 2300 East. Essentially, the shared driveways would function as hammerhead turnarounds.

Dave Anderson will express to Planning Commission that there are a lot of concerns on the plat, but not a lot of options to address those concerns with modifications to the design. Mr. Anderson acknowledged that the proposed plat meets the City's zoning requirements and that the plat had been previously approved twice before. He said this plat is planned to go to Planning Commission meeting next week on March 7th.

Seth Perrins stated regarding the animals, there are still the City Ordinances for noise and smell.

Seth Perrins **moved to approve** the Hawk Landing Preliminary Plat based on the following findings and subject to the following conditions:

Findings:

1. That the proposed plat meets the City's requirements for subdivisions in the R-1-8 Zone.
2. That the proposed plat is consistent with the Land Use Element of the General Plan.
3. That with shared driveways onto 2300 East, the City's concerns with access onto 2300 East will have been mitigated.
4. That the property owners immediately adjacent to the plat to the west, will be deemed as vested relative to their animal rights and where they can keep animals on their property.

Conditions:

1. That the subdivision will be accessed via 3 shared driveways on 2300 East and one access onto 1200 South.
2. That driveway's accessing 2300 East will be constructed with the homes such that vehicles do not have to back onto 2300 East.
3. That the Canyon Road driveway access be removed.

4. That a mass grading plan be submitted with the final plat.
5. That a note be included on the recorded plat that states that the adjacent lots have animal rights.

Kelly Peterson **seconded** and the motion **passed** all in favor.

Dave Anderson said Hawk Landing will be on the Planning Commission's agenda next week on March 7.

Planning Commission

The Planning Commission reviewed this request on March 7 and recommended that it be approved. Draft minutes from that meeting read as follows:

Hawk Landing

Applicant: Gordon Dawe
General Plan: Medium Density Residential
Zoning: R-1-8
Location: 2292 East Canyon Road

Mr. Anderson explained that this proposal had been approved in the past but had lost its vesting. This proposal is very similar to what was proposed in the past with lots that conform to the City's standards in the R-1-8 zone. The proposed lots meet the zoning requirements. There are two issues that do warrant some additional discussion. The first is access onto 2300 East. The City adopted a Transportation Element, which is an advisory document that does not recommend driveways be permitted onto collector roads. In order to mitigate the driveway concern, staff recommends two things be required of the developer. Require the developer to limit the accesses to 2300 East. Six lots should share driveways and be designed so that the vehicle can conceptually turn around on the lot. The applicant is willing to meet the conditions.

Commissioner Stroud said as an advisory document he does not see a problem with the conditions.

Commissioner Evans explained that he lives on the next collector street which is 1700 East and that there are several driveways on it and as undesirable as this situation is you cannot take the development rights away from the landowners.

Chairman Christianson asked that if the lots are sold off individually then something needs to be recorded on the plat, that driveways are shared.

Discussion was held regarding the need to address documents being filed with the plat and reasonable solutions for the land to be developed.

Mr. Anderson said that there is a difference in accidents between 1700 East and 2300 East. It is an issue. Animal rights are another concern. The larger lots are adjacent lots that will have homes that are closer than 100 feet to the rear lot line. The concern is that we require a certain buffer from where the animals are kept to neighboring dwellings.

Commissioner Evans explained that as long as you exercise your animal rights you get to keep them but if you do not, for the period of one year, than you lose your rights.

Mr. Anderson explained that the City's vesting of animal rights in this situation would be different. The City's code currently allows animals on any lot in Spanish Fork that is ½ an acre or greater and that you do not lose those rights because of non use; however, you do have to meet the buffer requirement. Where the animals on the parcel are housed must be a certain distance from neighboring dwellings. The City is suggesting we recognize that the lots to the west will maintain their right to put animals any place on there lot where today it is legal to keep that animal. That will remain perpetual until something happens to the lot such as a subdivision.

Commissioner Evans asked what is different with these seven lots from any other lot in town. How is it appropriate considering the precedence it is setting?

Mr. Anderson said that he did not feel this was the best approach that it would be better to change our Zoning Ordinance. He explained that there was concern relative to drainage and how it would impact the homes to the west. The City will be requiring the developer to provide a detailed grading plan.

Gordon Dawe

Mr. Dawe addressed the Commission. He said that he agreed to limit the access. He said that he would be building all of the homes in succession and that he would be responsible for the shared driveways in the project. He said that in the previous applications of this plat the lots had direct access onto 2300 East. He said that he was designing side entry garages with t-shaped driveways.

Gerald Seely

Mr. Seely asked, in relation to the animal rights, that he did not currently have animals but when he purchased the lot that the price of the lot included animals.

Mr. Evans recommended that Mr. Seely get the provision in writing.

Mr. Seely asked if the double driveways go in who would be paying for the driveway.

Chairman Christianson said that the developer was proposing to build the driveways concurrently with the structures.

Kevin Butler

Mr. Butler asked, regarding the animal rights, that it was the recommendation from the City staff to request recording a note on the plat. Is that the appropriate location or was there another place? If a note is recorded will the note record that the animal rights will be to the property line?

Mr. Anderson said it was common practice to use the plat as a medium to advise people of specific circumstances. He said the note on the plat would only put lot owners on notice that adjacent animals and the right to keep animals next door existed prior to the construction of their homes. He said that the City could record some other type of notice with the properties themselves but the most visible way to get it there is with a note on the plat.

Chairman Christianson explained that a notice of interest can be recorded.

Mr. Butler asked about the shared driveways being recorded as a recommendation or an advisement.

Stuart Tanner

Mr. Tanner asked about animal rights. He said in his deed it says that he has animal rights even though he does not have animals on his property right now.

Mr. Anderson explained that it was perpetual provided that the property owner doesn't do something to change the property and lose the animal rights.

Diana Butler

Ms. Butler asked if the proposal gets approval but then expires again if the surrounding property owners could request a Zone Change for the proposed property.

Mr. Anderson explained that the developer would be vested and that only a property owner can submit for a Zone Change on their parcel.

John Olsen

Mr. Olsen asked when the zoning that exists on the proposed property was changed to R-1-8. Mr. Anderson said that the first time the subdivision was approved was back in 2002.

Discussion was held regarding parcels of land across Canyon Road and its zoning and when it would change.

Mr. Anderson expressed that the likelihood that the City would initiate a Zone Change was small.

Commissioner Evans asked why the animal rights were being discussed with the proposal and not as a separate issue from the plat approval.

Mr. Anderson said that this was a convenient, public forum to discuss it in.

Commissioner Evans **moved** to recommend that the City Council **approve** the Hawk Landing Preliminary Plat subject to the following conditions:

Conditions

1. That the subdivision will be accessed via 3 shared driveways on 2300 East and one access onto 1200 South.
2. That driveway's accessing 2300 East will be constructed with the homes such that vehicles do not have to back onto 2300 East.
3. That the Canyon Road driveway access be removed
4. That a mass grading plan be submitted with the Final Plat.
5. That a note be included on the recorded plat that states that the adjacent lots have animal rights.

Commissioner Gull George **seconded** and the motion **passed** all in favor by a roll call vote.

Commissioner Evans **moved** to recommend that the adjacent properties be given a variance in perpetuity of the buffer. Commissioner Stroud **seconded** and the motion **passed** all in favor by a roll call vote.

Budgetary Impact

There is no immediate budgetary impact anticipated with the approval of this plat.

Recommendation

Staff recommends that the proposed Preliminary Plat be approved based on the following findings and subject to the following conditions:

Findings:

1. That the proposed plat meets the City's requirements for subdivisions in the R-1-8 Zone.
2. That the proposed plat is consistent with the Land Use Element of the General Plan.
3. That with shared driveways onto 2300 East, the City's concerns with access onto 2300 East will have been mitigated.
4. That the property owners immediately adjacent to the plat to the west, will be deemed as vested relative to their animal rights and where they can keep animals on their property.

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