

**PERMANENT COMMUNITY IMPACT FUND BOARD MEETING**

Department of Workforce Services  
Housing and Community Development Division  
Salt Lake City, Utah

**SPECIAL MEETING MINUTES**

February 16, 2022 - ZOOM

**Members Present**

Keith Heaton	Chairman
Bruce Adams	Southeastern Utah Association of Local Governments
Naghi Zeenati	State Transportation Commission
Dean Baker	Uintah County
Garth "Tooter" Ogden	Sevier County
Jerry Taylor	Five County Association of Governments
Kyle Stephens	State Board of Water Resources
James Webb	State Board of Water Quality
Jack Lytle	Uintah Basin Association of Governments

**Members Excused**

Marlo Oaks	State Treasurer
Glade Nielson	Six County Association of Governments

**Staff and Visitors**

Candace Powers	Housing and Community Development
Brenda Brown	Housing and Community Development
Paul Moberly	Housing and Community Development
Zach Leavitt	Housing and Community Development

**WELCOME**

The Permanent Community Impact Fund Board (CIB) Meeting was held on Wednesday, February 16, 2022 via Zoom Webinar and was called to order at 9:03 a.m. by Chairman Keith Heaton. It was noted there is a quorum in attendance for this special meeting. The closed meeting will be accommodated via an alternate link.

**1. Briefing**

- 1. Up-coming Meeting Dates**– April 7, 2022 - SLC
- 2. Welcome & Roll Call**
- 3. Approval of Minutes** - none
- 4. Prioritization Projects** - none
- 5. Large Infrastructure Projects** - none
- 6. Pending Projects**- none
- 7. Supplemental Requests** - none
- 8. Special Consideration** - none

**9. Board Member Discussion and/or Action Items**

**9.1 Seven County Infrastructure Coalition – Update on projects – approval of Administrative funding 3<sup>rd</sup> tranche.**

Chairman Heaton indicated that the Seven County Infrastructure Coalition has a contract with the CIB to fund Planning, Administrative and Operation. The Board elected to administer the \$3,000,000 funding through four tranches of \$750,000 each. The current tranche is depleted and the Board does not meet in March. To facilitate the next tranche, the Board has convened for a report from SCIC and approval of the next tranche.

Mike McKee provided an update on SCIC activities and use of funds. He referenced the memorandum provided in the Board packet by SCIC. The SCIC was awarded the \$3,000,000 as a \$750,000 tranche each year for four years. They are nearing the end of the second tranche of funding and are requesting the third tranche. The delineation of the funding was indicated in a chart on the memorandum. The executive director's salary is included in this funding. He referenced the Uintah Basin Railroad which has received STB approval for licensure for the operation of the railway; 404 permits from the Army Corps of Engineers and the Programmatic 106 Agreement. The SCIC supports the San Rafael Research Center in Emery County which is a project initiated by the SCIC. It is an exciting project. The SCIC received legislative funding for the Eastern Utah Regional Connection. They have been working to assist San Juan County with planning for water and infrastructure projects. The proposed budget is similar this year as in past tranches.

He requested the Board approve the next tranche of funding to continue.

Brian Barton referred to the table with the three tranches and budget. There have not been major swings. The SCIC has been careful with the funding.

Chairman Heaton indicated that he and the CIB staff meets with SCIC at a minimum twice a month. They have communicated the status of projects, successes and challenges. The SCIC has been a good partner over the last year. He asked about the differences in the insurance line item. The insurance is double this year at \$6,000. Why the increase?

Mr. McKee referred to the actual cost listed in tranche 2 which \$5,656 but was uncertain as to what caused the increase. He will get the answer for the Board.

Commissioner Ogden noted he sits on CIB and SCIC and asked if the Seven County Infrastructure Coalition has plans to be self-funding. The CIB funds are low and the SCIC needs to look at other means of financing.

Mr. McKee stated that as the railroad is completed, the contract with the UBRY addresses two items.

1. The full amount of funding expended on the rail will be returned to the SCIC and the SCIC will return those funds back to the CIB.
2. The UBRY will issue a check to the SCIC at the time of commercialization of \$500,000 per year over a period of 30 years.

The SCIC will also pursue other revenue generating projects.

Mr. Stephens asked about the strategic partnering line item in the SCIC budget. The budget estimate was \$10,000 but the actual was \$106,000. Please explain the significant increase.

Mr. McKee stated the SCIC participated in a strategic development plan in Sevier County which was just under \$46,250, a planning effort with Daggett County for \$50,000 and the Utah Office of Energy Development natural resource study of \$10,000.

Mr. Zeenati asked Mike McKee to explain the purpose of SCIC for the new Board members.

Mr. McKee stated that the Seven County Infrastructure Coalition is an organization created to do things that might not be able to happen. They are involved in many projects; certain things that would be too big for one or two Counties to do; things that the State would not do. The railroad is an example of that. The Energy Research Center is an example of something that might not have happened had the SCIC not been involved early on. The SCIC was organized to facilitate good projects which would hopefully be revenue-generating. Moving forward, there are good projects of value that can be facilitated by SCIC and benefit to the communities. He does believe the SCIC has an outstanding, visionary Board. The SCIC is comprised of Daggett, Uintah, Duchesne, Carbon, Emery, San Juan and Sevier Counties.

Commissioner Lytle thanked Mr. McKee for his presentation. Commissioner Lytle wished to disclose that he is on the CIB and the SCIC Boards.

**Bruce Adams made and Jerry Taylor seconded a motion to approve the Seven County Infrastructure Coalition request for the third \$750,000 tranche of funding. The motion passed unanimously through roll call vote.**

Chairman Heaton indicated the Board has a matter to discuss in a closed session and requested the link to the closed session be provided to the Board. [25:35]

### 9.2 Closed Session

The Board may consider a motion to enter closed session pursuant to Utah Code Ann. 9.2 Closed Session

The Board may consider a motion to enter closed session pursuant to Utah Code Ann. § 52-4-205(1)©.

Chairman Heaton called for a motion to go into closed session. [27:26]

**Jack Lytle made and Naghi Zeenati seconded a motion to go into closed session. The motion passed unanimously through roll call vote.**

(It was noted that the google link did not include the phone numbers) (31:31] audio resumes for open session)

Motion to end closed session. [34:35]

**Naghi Zeenati made and Dean Baker seconded a motion to exit closed session. The motion passed unanimously through roll call vote. [35:19]**

### 9.3 SCIC - Amendment to existing contract to adjust budget line items. [35:28]

Aaron Waite, legal counsel to the Board recapped the Board's discussion. He indicated SCIC has requested that \$500,000 in the contract contingency be made available for litigation within the existing budget and contract.

He referenced the existing contract which states:

*\$2,212,000 for Contingency to cover unanticipated or expanded services based on project dynamics.*  
And:

*\$1,900,000 for STB Regulatory and Other Legal Services, including planning and strategic guidance of the NEPA process; interaction and communication with the STB and other agencies; specialty legal services; strategic guidance of the Coalition regarding federal and tribal issues. But the line item also states: All litigation expenses will be paid from the contract with ETJ law, and fall within the dollar limits imposed in Paragraph 11, Attachment B, to this Contract.*

The Board may make a motion authorize the use of \$500,000 for legal and litigation purposes as discussed in today's meeting.

The \$500,000 would be moved from Contingency and amend the restriction regarding litigation noting it will be paid to a law firm other than Eric Johnson's firm so the yearly cap does not affect these funds.

Chairman Heaton called for a motion to approve the amendment to the rail contract 20-0309 moving \$500,000 from contingency into the legal fund for payment to a law firm other than Eric Johnson Law.

**Jerry Taylor made and Tooter Ogden seconded a motion to reallocate \$500,000 in the existing contract 20-0309 to be utilized for litigation and legal expenses incurred within the execution of the contract. The motion passed unanimously through roll call vote.**

Chairman Heaton noted there will be no March meeting for the CIB. The next meeting of the Permanent Community Impact Fund Board is scheduled for April 7, 2022 starting at 9:00 am.

**ADJOURNMENT** [39:17]

The next meeting of the Permanent Community Impact Board will be February 3, 2022 at 1385 South State, Salt Lake City, Utah.

The meeting adjourned at 10:11 am.

Submitted by:  
Candace Powers