

PERMANENT COMMUNITY IMPACT FUND BOARD MEETING

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

MINUTES

April 3, 2025

Members Present

Curtis Wells
Jerry Taylor
Kirt Slaugh
Bill Winfield
Dean Baker
Jack Lytle
Ralph Brown
Laura Hanson
Naghi Zeenati
Scott Bartholomew
Greg Miles

Chairman
Five County Association of Governments – Acting Chairman
State Treasurer
SERDA
Uintah County
Uintah Basin Association of Governments
Sevier County
Governor's Office of Planning and Budget
State Transportation Commission
R6 Regional Council
Duchesne County

Staff and Visitors

Candace Powers
Heather Poulsen
Paul Moberly
Jennifer Domenici
Justin Anderson
Brittany Hardy
Kaylee Beck
Brent White
Cheryl Meier
Mike Wilkins
Caleb Hall
Sonja Norton
Jess Hermann
Keith Despain
Ed Long
Ivan Merrell
Shay Morrison
Cody Christensen
Keith Heaton
Parker Vercimak
Rodney Rowley
Korrin Olsen
Jade Powell
Wendi Roberts
Chuck Richins
Tom Memmott
Chuck Richins
Malcolm Nash
Shad Hardy
Chris Anderson
Mike Black
Brent White
Kevin McLaws
Gordon Walker

Housing and Community Development
Housing and Community Development
Housing and Community Development
Housing and Community Development
Attorney General's Office
Department of Workforce Services
Department of Workforce Services
Brooklyn Special Service District
Uintah Special Service District #1
Uintah County
Uintah County
Uintah County Commission
Uintah County
Vernal City
Vernal City
Vernal City
R6 Regional
Five County Association of Governments
Seven County Infrastructure Coalition
Jones and DeMille Engineering
Duchesne City
SERDA
SERDA
Hanna Water Improvement District
Horrocks Engineers
Town of Scipio
Hanna / Duchesne
Sevier County / Brooklyn SSD
Spring City
Spring City
Spring City
Brooklyn Special Service District
Zion Mountain Special Service District
Zion Mountain Special Service District

Virtual Attendees

Bill Prater	Bond Counsel
Willis LeFevre	Uintah County
Heather Pattee	Division of Drinking Water
Bart Jensen	Jones and DeMille Engineering
Allison Schultz	Department of Workforce Services
John Laursen	Uintah County
Lora Braden	Department of Workforce Services
Ron Winterton	Duchesne County – Utah Senate
Justin Atkinson	Sunrise Engineering
Ryan Goodrich	Ashley Valley Water and Sewer Improvement District
Rebecca Banner	Department of Workforce Services
Michael Mowes	Housing and Community Development Division
Stan Holmes	Sierra Club
Adam Serdar	Department of Workforce Services
April Gardner	DWS Contract Team
Andrea Thurlow	Division of Drinking Water
Stephanie Smith	Department of Workforce Services
Koy Barton	Jones and DeMille Engineering
Ann Harvey	
Randy Strate	Spring City
Brock Jackson	R6 Regional Council

The Permanent Community Impact Fund Board (CIB) Meeting was held on Thursday, April 3, 2025 at 1385 South State Street, SLC, Utah. Chairman Curtis Wells called the meeting to order at 9:02 a.m.

WELCOME & INTRODUCTIONS

Introductions [0:30.0]

[2:00.0] Chairman Wells indicated the Board discussion items would be prior to discussing the new projects.

9. Board Member Discussion and/or Action Items [02:12]

9.1 2025 Legislative Update

Chairman Wells welcomed Senator Jerry Stevenson who is the sponsor of SB187. This bill affects CIB and the Throughput Infrastructure Fund which CIB oversees. CIB has not received any applications as yet but a project type was added to the listing of eligible projects for the use of this funding to include a mining facility that has the required permits to engage in mining fluorspar or gallium. Chairman Wells welcomed Senator Stevenson, thanked him for working with CIB on the bill and invited him to address the Board.

Senator Stevenson spoke to the Throughput Infrastructure Fund and SB187. The funds have been sitting in the account in anticipation of the port project and interest has accrued. There has been interest in the critical minerals fluorspar and gallium. The interest accrued in the Throughput account could be utilized to facilitate the mining venture. The original \$53 million remains for projects around the state. *(He expressed his understanding of the mineral lease revenue given to UDOT and a non-mineral lease revenue source of funds from UDOT to comprise the Throughput Fund.)* There is a good partnership [with the Governor's office, etc. and companies are ready to move. This project steps outside the boundaries of what is normally done in the State of Utah; it will be a pre-performance loan versus a normal post-performance loan to facilitate getting the mining into business quickly to process the product the country needs. There are 27 critical elements in the State of Utah that are in quantities that are minable economically. Companies need capital up front and rural Utah is an area that also needs help; a good company brings jobs, doctors and necessary pieces to help the people and provide a reason for the youth to stay in Utah due to opportunities. Good legislation is about good relationships to improve the economic progress of the State of Utah.

Mr. Zeenati expressed appreciation to Senator Stephenson for being a champion of transportation projects. He indicated he was on the CIB during the discussions of the Oakland Port which would have been a good thing for Utah. He stated that UDOT did use the mineral lease funds traded to UDOT from CIB which provided many projects.

Commissioner Lytle expressed his appreciation for the information and the contribution of legislative work by Senator Stevenson.

Senator Stevenson noted some of the bills were completed at the last minute and all of his bills passed; 95% passed in the final two days of the session.

9.2 Deep Water Port discussion [16:00]

Chairman Wells spoke as a good follow-up to Senator Stevenson's presentation concerning the deep-water port which is an important issue for the coal producing counties. AOG's have been involved in the conversation and Brian Sommers with the Utah Mining Association has been invited to speak to the Board. The Board will have an open discussion with stakeholders about the port project with CIB input on how to proceed and include representatives from the Counties, AOG's, Brian Sommers etc. The next scheduled meeting is in June, but there may be a virtual meeting in May.

Commissioner Miles stated the original funding was to four counties; Emery, Sevier, Sanpete and Carbon. Carbon County has been hit the hardest regarding coal. He noted the discussion should be with those four counties in mind; that is where the money was planned to be spent and that should be foremost in the consideration.

Commissioner Lytle indicated it has become a divisive issue for SCIC and potentially CIB; any discussion should include all parties.

Commissioner Brown noted that as this was on today's agenda, he contacted Carl Albrecht to get his thoughts and agreed with the all-inclusive discussions.

Chairman Wells suggested the four counties lead the discussion. The goal is that it is a representative discussion whenever it happens.

Commissioner Bartholomew expressed agreement.

Ms. Hanson noted she does not know a lot about what is proposed and it will be good to get details and have the opportunity for a conversation with all the stakeholders together.

9.3 Utah Project Portal Update [23:03]

Chairman Wells invited Shay Morrison from R6 Regional Council to the table with Laura Hanson on the Board representing GOPB to discuss the progress of the portal.

Mr. Morrison indicated the CIB funded the portal in September 2024 and provided supplemental funding in February 2025. The portal will be presented at the June Policy Sessions in Richfield. Items were suggested to be added to the portal: A project lock function to finalize a submitted project and prevent random edits; if projects had solicited or received other funding; tracking emergency projects; five prior years of CIB project funding; the CIB lists compiled by the AOGs; a component for staff to provide checks and balances (meeting with AOG's April 9); A GIS component to tag project location entered in the portal.

Commissioner Lytle asked if the GIS tracking would also track the 5 years of data.

Mr. Morrison stated it will depend on what information is tied to the list; tagging projects with the location has been complicated with questions such as 'Do you pin a water source or just the municipality'? There would need to be location data associated with those prior 5 years. It would be feasible to pin a municipality location but it would be difficult to pin exactly where a road project was.

Commissioner Lytle noted it would be good have the prior project information; 5 years makes sense.

Mr. Slauch asked what has been the reception from other state entities that might use the Portal as one consolidated list.

Ms. Hanson stated that the water coordinating council was the first time that the portal was shared with a broader group and there was cautious interest. The project will proceed with the AOG's and local governments to get their projects entered and once there is a fuller picture of the portal, other agencies may decide to use it. The water

agencies are interested and the Division of Outdoor Recreation, Division of Emergency Management may be interested. UDOT projects go through a very comprehensive process with many projects. When shown to the governor, he liked it noting right county, right region to start it.

Mr. Zeenati asked if the portal would be updated quarterly based on the needs and if it would be encrypted. It might be necessary so someone could not change information unintentionally.

Mr. Morrison indicated he is not the data security person; they are working with Jones and DeMille as the software developer. Most data will be public data; it does not have the security issue. There could be a briefing from Jones and DeMille concerning security.

Ms. Hanson thanked R6 and Jones and DeMille for implementing this portal. It will ultimately be a State product with broader state reach.

Mr. Morrison indicated R6 is onboard with making it statewide.

Chairman Wells expressed appreciation for the update noting there will be further updates at the policy meetings.

9.4 CIB Board 3rd Trimester Meeting Reminder – June 5-6, 2025 – Richfield City.

The date and location of the funding meeting and policy meetings is June 5-6, 2025 – Richfield City. Chairman Wells thanked Commissioner Brown and Sevier County for their organizing indicating there are some very nice activities planned. The Board is to respond regarding attendance.

Commissioner Bartholomew indicated he needs the count for dinner; please RSVP.
[36:12]

9.5 Closed Session – The Board may consider a motion to enter closed session pursuant to Utah Code Ann. § 52.4.205(1)(c). This was at the end of the meeting

BRIEFING - ADMINISTRATIVE ITEMS

- A. Up-coming Meeting Dates & Location;** May 17, 2025 virtual; June 5-6, 2025 Policy Sessions.
- B. Financial Review & Review of Agenda Items [36:30]**

Kaylee Beck reviewed the available revenue; the available revenue and loan payments have been posted through February 2025. By the June meeting there may be sufficient funds noting the forecast is without the supplemental request on today's agenda. *Grants and 0% loans cannot be allocated from the Bonus account.*

III. APPROVAL OF MINUTES [40:41]

Chairman Wells called for a motion to approve the minutes from the February 6, 2025 meeting.

Jack Lytle made and Bill Winfield seconded a motion to approve the minutes of the February 6, 2025 CIB Review Meeting as corrected. The motion carried unanimously.

Chairman Wells indicated this is not a funding meeting; today funding requests exceed the available funding. He also admonished the Board to be succinct with questions and mindful of the time.
9:45 AM

4. NEW PROJECTS [42:27]

4.1 Vernal City – Water Improvements – 3500 West Transmission Line & 100 North Water (Uintah)

Vernal City presented a funding assistance request for a \$3,900,000 grant and a \$1,670,000 loan for 30y @ 0.5% for water system improvements. This project consists of water system improvements to the 70 year old 3500 West concrete-lined steel transmission line to include 15,000 linear feet of 14 inch HDPE pipe, welding and installation, 7,150 linear feet of 10 inch PVC waterline, 116 water service connections, 16 waterline tie-ins, 5,500 linear feet of 10 inch PVC sewer service line, 16 each sewer manholes, 110 new sewer services, bypass pumping, 12,000 square yards of asphalt for pavement repair, pavement marking paint, engineering and bonding.

The applicant indicated this will replace approximately 5 miles water transmission and sewer lines. This is part of the Vernal City downtown revitalization project. Several projects have been completed and some are underway. The challenge is managing the improvements to the 70-year-old water and sewer infrastructure. This project is mostly water with a sewer component. There are two transmission lines feeding the entire city; 3500 West is a 70-year-old steel water line with a cement lining. They investigated a break and discovered the cement lining has eroded away. They are going to slip line the pipe which will forego most of the trenching. The 100 North section is where both water and sewer will be addressed. The hospital and schools are along that corridor.

Commissioner Lytle asked if this project is in conjunction with the project on 1st South. He noted the request is \$1000.00 short of being within the funding tool range.

The applicant indicated they have done some work on 1st South and are doing work on 1st West now. This project is similar to those projects.

Jack Lytle made and Scott Bartholomew seconded a motion to place this project on the priority list for possible funding at the June 5, 2025 funding meeting as a \$3,899,000 grant and a \$1,671,000 loan for 30Y @ 0.5% (total \$5,570,000).

Ms. Hanson asked about their water rates and the last rate increase.

The applicant stated the rates were increased 2 years ago and are engaged in restructuring their water rates to include 4 tiers and types of customers. It will be implemented in a few months.

Mr. Zeenati asked if they utilize ap technology to detect line breaks or reference water use to detect line breaks and asked how they detected the 3500 West water breaks.

The applicant indicated they do have higher water loss than they would like. They review water coming in and customer billing looking for abnormalities. Their technology is older and they are investigating water system hardware and software and hope to implement more electronics in the future. The 3500 West water break was discovered by water bubbling up in the intersection.

Commissioner Miles asked if this was the oldest water line in the City.

The applicant indicated that is unknow; from maps and talking to those who have been around for a long time, this was a main line for many years. This is a critical piece of water transmission infrastructure.

Jack Lytle made and Scott Bartholomew seconded a motion to place this project on the priority list for possible funding at the June 5, 2025 funding meeting as a \$3,899,000 grant and a \$1,671,000 loan for 30Y @ 0.5% (total \$5,570,000) to include review and approval of plans and specifications by the Division of Water Quality and the Division of Drinking Water prior to advertising the project for bids.

Mr. Slaugh referred to the funding tool and the wide range between the minimum, median and maximum funding ranges. Typically, the Board tries to fund at the median range but there is a wide range *[between minimum and median]*. He suggested a discussion regarding tightening the tool and perhaps reduce the range.

Staff noted the Board can fund within the bottom and top ranges and anywhere in between and not require an exemption.

Mr. Slaugh stated it does not give the Board much guidance and he would prefer a much narrower range knowing that most applicants are going to push for the minimum; he would like to see a little tighter range.

Ms. Hanson indicated that at the policy retreat last year, the tool was discussed, revised and the Board agreed to leave it in place for a year and see how it works. For very small communities there is often an exemption so maybe the tool is off a little bit.

Mr. Slauch stated it appears the applicant knew about the tool range referring to their request which is right at the minimum. The tool is a guide for the Board, not necessarily the applicant; perhaps there might be a policy that the applicants shouldn't be allowed to see the tool output before they submit their request as they will request the minimum if they are allowed to do that.

Chairman Wells noted the funding tool will be a standing item on the policy agenda.

Commissioner Lytle indicated there will always be an opportunity for refining, but it is helpful when an applicant actually comes in within the tool. They are doing their homework to assist the Board with being within the funding tool recommendation. The applicant will always try for the best funding option. The DEQ review indicates they can accommodate up to a 4% interest rate. In reading the whole application packet, there is an opportunity to differ. Applicants have sought alternate funding when they can do so more equitably. He also acknowledged the Board is trying to provide funding in a responsible manner.

Commissioner Taylor asked if Vernal City had any applicant cash in this project.

The applicant noted they have a lot of other projects for which they have provided funding for and with other funding agencies. Water and sewer are critical infrastructure and they are seeking 100% CIB funding.

The chairman called the question.

Jack Lytle made and Scott Bartholomew seconded a motion to place this project on the priority list for possible funding at the June 5, 2025 funding meeting as a \$3,899,000 grant and a \$1,671,000 loan for 30Y @ 0.5% (total \$5,570,000) to include review and approval of plans and specifications by the Division of Water Quality and the Division of Drinking Water prior to advertising the project for bids. The motion carried with the chairman abstaining.

4.2 Uintah Special Service District #1 – Athletic Facility in Vernal City, Utah (Uintah)

Uintah Special Service District #1 presented a funding assistance request as a \$5,000,000 grant and a \$10,000,000 loan for 30y @ 0.0% (total \$15,000,000) for an athletic facility. This project consists of an expansion of the 2007 recreational facility in Vernal to include the design and construction of a 150,000-square-foot athletic facility with sports courts to include basketball, volleyball, pickleball, artificial turf courts to accommodate high-demand sports, indoor practice areas for youth sports leagues, to include soccer, baseball, and other team activities, fitness and wellness spaces for exercise classes, weightlifting, and personal fitness programs, a flexible arena community event space for tournaments, community gatherings, and youth programs, site utilities to include HVAC, electrical and lighting, tele-data communications, excavation, landscaping, engineering and bonding. The anticipated completion date is December 2026. Applicant Cash \$5,909,000.

The applicant noted they are impacted by the production industry and one of those impacts is a quality of life which includes recreation. The statistics of mental health issues show Utah is higher than Alaska and the Basin suffers a high mental health rate. This project is to provide a facility to sustain the workforce, families and quality of life and it will be open year-around; during the harsh winters. The closest similar facility is a 2-3-hour drive. There is a lot of community support, they are contributing applicant cash and the project is ready to proceed. It was noted that revenue is down but hopefully there will be sufficient funds by the June funding meeting. An interest rate would be considered to qualify for the bonus funds.

Commissioner Bartholomew indicated most rural communities do not have this type of facility within 2-3 hours driving. He suggested a reduced facility with a smaller funding request.

The applicant stated they could reduce the scope of work or do the project in phases; the goal is to have all of the recreation programs in one facility.

Commissioner Taylor indicated they were ready to proceed; if they were funded today, when would the project

go out for bid?

The applicant stated they have sent out an RFP for a design/build team and ground work has been done including geo tech samples. The project could commence now with the applicant cash.

Mr. Zeenati noted the AOG review showed neutral to the project; public hearing comments asked that the District not overburden the citizens with taxes or expenses for this project. Also, there will be operation and maintenance expenses so how will these expenses be accommodated? What would a reduced scope be?

The applicant indicated they will utilize mineral lease revenue and user fees; user fees were recently raised in February. A reduced scope could be the front half as Phase 1 and back half as Phase 2. In a design build situation there is a lot of flexibility and it will depend on available funding.

Ms. Hanson appreciated seeing the whole vision and the applicant's willingness to be flexible. The Board could consider funding Phase 1 and the loan would include an interest rate to allow for bonus fund use. What would be an amount that would allow Phase 1 to commence?

The applicant suggested for Phase 1 a match for their applicant cash and 50% of the original request. They would have to discuss the Phases with the District Board; they would come back for Phase 2. The applicant stated they did not know what the funding tool would indicate but wanted to come to the Board with a reasonable request.

Mr. Slauch stated recreation projects are difficult to justify; not everyone can accommodate a facility of this magnitude and other areas have health problems too. CIB does not have enough revenue to fund recreation AND essential infrastructure. He suggested the applicant find other funding sources for the recreation projects and bring the essential infrastructure projects to CIB.

The applicant noted it's been 16 years since Vernal has come to CIB for a recreation project. If there is not sufficient revenue by June, it was acknowledged that essential projects would come first.

Commissioner Miles stated there are a lot of heartbreaking #1's in the Basin noting Tri County Health is #1 in overdose deaths, the Basin is #1 in suicides and teen pregnancy. Recreation projects are valuable but this is a big funding lift. What about maintenance expenses; would they come from user fees?

The applicant acknowledged this project would require more employees, maintenance, cleaning crew etc. and they will continue to sponsor sports activities as they do now in other facilities. They are considering geo-thermal power on the building with a retrofit to the old building with the pool which they feel will reduce some expenses. Mineral lease revenue and user fees are intended to cover the O&M.

Commissioner Miles cautioned the applicant to look very closely at geo-thermal as in the coldest months of the winter it does not keep up.

Commissioner Winfield asked if Phase 1 would have the ability to be used without Phase 2; what if CIB did not have revenue to fund Phase 2.

The applicant indicated Phase 1 could be used. There are small recreation grants around the State and they may coop with school districts to build on the facility.

Commissioner Brown asked if geo-thermal was included in the application costs and is solar a consideration?

The applicant noted that heating and cooling costs are included, but geo-thermal would be a retrofit. Solar is not part of this project.

Commissioner Brown stated he works in those types of utilities [geo-thermal, etc.] which are designed for climate and volume noting the cost of a geo-thermal system is enormous. This project has a lot of questions

and he suggested they return with more accurate revised costs, phases etc.

The applicant stated as it is a design-build, they would like to have funding in place to initiate the first phase after which additional items would come into play.

Mr. Slauch stated the CIB funding is 72% of project costs and the applicant cash comes from mineral lease funds so what other items are funded with the mineral lease revenue?

The applicant stated that mineral lease funds are allocated to the special service districts by the Commission. Currently the mineral lease revenue coming to USSD#1 is used for recreation, fire, health and animal control.

Chairman Wells appreciated all the comments and questions as the board seeks to balance the revenue for all the rural communities but also recognized Uintah Basin is very impacted by mineral resource development. Does the Board want to fund a phase now or ask the applicant to evaluate the project and return with options?

Commissioner Lytle asked if the SSD's have been clarified now? The SSD is not a taxing entity so they operate solely on mineral lease revenue. Is there an agreement with the county and the district that those funds will support this project with a guaranteed minimum revenue to the district?

Commissioner Norton, representing the applicant indicated that the transportation district separation from USSD#1 is 99% completed. The mineral lease revenue is distributed as fixed amounts to allow budgeting for projects. The Transportation District receives the remainder of revenue after the fixed amounts are distributed and there have been months where the UTSSD has not received any revenue. Some have had their fixed amount reduced.

Scott Bartholomew made and Ralph Brown seconded a motion to place this project on the pending list. The applicant is to provide phases of the project. The motion carried with the chairman abstaining.

4.3 Uintah County Municipal Building Authority – Cemetery Multi Use Building (Uintah) [1:40:34]

The Town of Central Valley presented a funding assistance request as a \$700,000 grant for a cemetery multi use building. This project consists of the construction of an insulated 150 feet wide x 60 feet long x 18 feet tall building at 1750 South 500 East in Vernal, Utah to include cement floors, 7 each 16' tall x 14' wide garage doors with openers on the main side of the building, 2 each metal man doors, insulation and heating, electrical to include LED lighting throughout, half bathroom (5' x 3'), epoxy-coated floors, ceiling fans, floor drain through the full length of the building and associated appurtenances, exterior security lighting, engineering and bonding. The building will provide secure and functional space to store and maintain equipment used for cemetery operations. Uintah County \$550,000 and Vernal City \$150,000.

The applicant stated this building will house equipment to facilitate efficiency, security and long-term cost savings for cemetery operations. They manage 11 cemeteries; the Vernal Memorial Cemetery is in the central part of the community. The equipment is currently stored outside with exposure to weather, theft and vandalism. This facility will store equipment and facilitate indoor maintenance of equipment. They have the project estimates community backing. They have been working on this project since last July when they sent out an RFI.

Mr. Slauch indicated the building is to be heated year. Perhaps a basic facility would suffice to keep the equipment out of the weather noting that most of the maintenance would happen during spring through fall and not usually in the winter months.

The applicant stated they would be willing to consider that but noted cemetery personnel indicated there are still services in the winter; there is continuous maintenance in all seasons.

Commissioner Lytle asked how would it affect the costs to have some of the space heated as opposed to others.

The applicant stated there is no plan to have the building sectioned off, so heating a section would be difficult, but willing to look at options.

Mr. Slauch noted there may be equipment stored, then have a section heated for maintenance. Heating the whole building year-round in Vernal is expensive.

Mr. Zeenati stated the contingency of 20% for this type of building is high; the size of the building would not require that much contingency.

The applicant indicated that usually their contingency is too low and not sufficient so it was set a bit higher.

Ralph Brown made and Scott Bartholomew seconded a motion to place this project on the priority list for possible funding at the June 5, 2025 funding meeting as a \$700,000 grant.

Dean Baker made a substitute motion to place this project on the priority list for possible funding at the June 5, 2025 funding meeting as a \$700,000 loan for 30Y @ 0.0%.

The applicant indicated there is a cost with bonding and would prefer the grant; they are asking for a grant as they have 50% of the cost in cash.

Mayor Baker noted bonding would be approximately \$10,000.

A loan with 0% interest must be allocated from the mineral lease fund; funding as a loan would provide a return to the Board.

The Chairman referred to the motion on the table.

Dean Baker made a substitute motion to place this project on the priority list for possible funding at the June 5, 2025 funding meeting as a \$700,000 loan for 30Y @ 0.0%. The motion failed due to lack of a second.

The Chairman called the question on the original motion.

Ralph Brown made and Scott Bartholomew seconded a motion to place this project on the priority list for possible funding at the June 5, 2025 funding meeting as a \$700,000 grant citing a special circumstance exemption. The motion carried with the chairman abstaining.

4.4 Brooklyn Special Service District – Culinary Water Improvements (Sevier) {1:52:51}

Brooklyn Special Service District presented a funding assistance request as a \$4,355,000 grant for culinary water system improvements. This project consists of water system improvements to include replacing all undersized transmission and distribution pipes with adequately sized pipe to include 3 each system master meters on the Brooklyn Tapline system, 172 each new water meters, 15,200 linear feet of culinary service line, 3,900 square yards of Class "A" road repair, 4,500 square yards of class "C" road repair, 100 square yards of class "D" road repair, 56 each fire hydrants, 28,300 linear feet of 8 inch PVC pipe, 8,100 linear feet of 10 inch PVC pipe, 80 each moling/long side hookups, 4 each canal crossings, 2 each road jack and bore, 60 each 8 inch gate valves, 10 each 10 inch gate valves, purchasing the 2019 pipe and fire hydrants in Elsinore Town. This project will provide the required flows within the public right-of-way and connect new distribution lines back to the existing home service lines along Brooklyn Road, and 1400 South and looping the south end of the system (Sierra Vista Road and 900 N), , engineering and bonding. Applicant Cash \$500,000; Community Funding Program (Celeste Maloy) \$3,060,000.

The applicant stated that Brooklyn SSD was organized to combine two water districts; infrastructure was placed in the 1970's and systems are very old with several add-ons. Comprehensive maintenance was inevitable and the systems included a low-income area with 2- and 3-inch asbestos cement piping. The two systems have

lines almost parallel to each other so the SSD was created to combine, upgrade and maintain the water. They received funding from the Community Funding Program and are working with EPA to finalize for construction.

Commissioner Lytle referred to the federal funding as part of the project and asked if the whole project was under federal requirements such as Davis-Bacon.

The applicant noted the construction will have that requirement but the engineering is not. They have had several conversations with the EPA and will divide the project into phases to limit the scope of the federal requirements. They are using the County's funds to start and are nearing 'shovel ready'. The first phase will bid in June and second phase in August/September.

Commissioner Miles verified this is a new district noting there is no budget. He noted the rate structure and asked why they went with the base rate and the additional amount per 1000 gallons.

The applicant stated they have a preliminary budget from the Auditors office and as the funding sources come in, they will modify/amend the budget. The County is currently serving as the fiscal agent for the District. The rate structure is the old rate structure and has been updated with a rate increase last year to \$30.00 per month. They will involve a financial consultant as they solidify the rate structure and budget. There are 5 large water users in the District that use nearly half the total water and cost to allow the remaining connections to have a low base rate and keep it affordable.

Commissioner Miles stated there are poor people in many areas and they can afford \$72.00 for a water bill per month. Between a cell phone plan; or having a drink of water; water is far more important. It was recommended to increase the rate to distribute water and maintain lines.

The applicant noted the rates were increased in 2022 and 2024 to be more in line with what is needed.

Mr. Zeenati asked if they had secured the ground; is the \$500,000 cash on hand and can the entity take some loan.

The applicant indicated their cash is in this year's budget and ready to utilize. The congressional funding was approved a year ago and are working with the EPA to access the funding. They're not in a position to take on debt and would not like to facilitate an additional rate increase.

Mr. Zeenati concurred with Commissioner Miles that the rates should be adjusted to align with the neighboring water rates. He recognized the other funds the applicant is contributing.

Naghi Zeenati made and Scott Bartholomew seconded a motion to place this project on the priority list for possible funding at the June 5, 2025 funding meeting as a \$4,355,000 grant citing a financial hardship exemption *to include review and approval of plans and specifications by the Division of Water Quality and the Division of Drinking Water prior to advertising the project for bids.*

Commissioner Brown indicated one goal associated with this new District is to reconfigure the lot sizes to have a 100-yard frontage and allow homes to be built. The County has acquired a few lots over non-payment of taxes and are working with R6 to do self-help housing which will help Sevier County bring people back into the County. This project will improve fire protection as well.

Commissioner Winfield stated these are the kind of projects that need the most help and supports the project and the improvements it affords.

The Chairman called the question.

Naghi Zeenati made and Scott Bartholomew seconded a motion to place this project on the priority list for possible funding at the June 5, 2025 funding meeting as a \$4,355,000 grant citing a financial hardship exemption *to include review and approval of plans and specifications by the Division of Water*

Quality and the Division of Drinking Water prior to advertising the project for bids. The motion carried with the chairman abstaining.

The applicant thanked the Board and stated that this will incentivize single family homes in the area and they have interested entities wishing to develop the area.

Commissioner Brown stated the Board will be shown the area during the policy sessions in June.

Break 11:11 am – Resume 11:32 am

4.5 Hanna Water and Sewer Improvement District – District Office and Warehouse (Duchesne)[2:09:16]

Hanna Water and Sewer Improvement District presented a funding assistance request for a \$668,000 grant for a district office and warehouse. This project consists of the construction of the HWSID 45-foot by 60-foot office building and warehouse consisting of a 1-level building with storage area, warehouse, file room, private restroom, office, SCADA room, meeting room, public restroom, utility room, handicap ramp, septic system and utilities. A separate storage area would be in the back of the warehouse which has an 18-foot X 10-foot garage door to house district vehicles, engineering and bonding.

The applicant indicated this project will have meeting space and storage for District supplies and vehicles. They are a very large service district spread out through the rural area with a few customers. They have existing loans which they are currently paying.

Mr. Slauch indicated the funding tool which accounts for the existing debt.

The applicant stated they discussed possible funding scenarios in the public hearing and the District Board indicated that perhaps a 20% loan and 80% grant is possible. They will begin paying another loan next year.

Mr. Slauch asked about their water rates.

The applicant indicated the rate is \$40 dollars a month with incremental increases for gallon usage.

Ms. Hanson again suggested the funding tool is not working as well as intended. There are other communities the same size as Hanna and they claim financial hardship and the Board provides an exemption. The funding tool may not be calibrated quite right.

Mr. Slauch suggested perhaps the tool is calibrated appropriately but we're just all softies.

Ms. Hanson stated in the spirit of being a softy, she'll make a motion.

Laura Hanson made and Jack Lytle seconded a motion to place this project on the priority list for possible funding at the June 5, 2025 funding meeting as a \$688,000 grant citing a financial hardship exemption.

Commissioner Miles stated there is much criteria in the funding tool; some entities may have a lot of bonded debt, some may be taxed, some non-taxed with a full range issues so there cannot be a blanket statement.

Commissioner Lytle referred to the funding tool ranking; 71 out of 100 in the scoring in terms of the established criteria. Though the tool may not provide the nuances, it does give a broad number for the Board to work from.

The Chairman called the question.

Laura Hanson made and Jack Lytle seconded a motion to place this project on the priority list for possible funding at the June 5, 2025 funding meeting as a \$688,000 grant citing a financial hardship exemption. The motion carried with the chairman abstaining.

4.6 Duchesne City – 2025 Water and Sewer Infrastructure-Area B Blue Bench/D-Hill (Duchesne) [2:16:12]

Duchesne City presented a funding assistance request as a \$2,861,000 grant and a \$954,000 loan for 30y @ 0.0% (total \$3,815,000) for water and sewer infrastructure improvements. This project consists of replacement of approximately 11,000 linear feet of sewer pipe and 6,500 linear feet of water pipe to replace the incomplete water and aging sewer on Blue Bench and the provision of sewer and water on D-Hill which currently has no infrastructure to include removal of existing guardrail, removal of 13 trees, 8,226 linear feet of 8-Inch SDR 35 PVC Pipe, 2,667 linear feet of 10-Inch SDR PVC Pipe, 6,510 linear feet of 8-Inch C-900 DR-18 PVC Pipe, 46 each new manholes, 4 each drop manholes and associated appurtenances, 70 new sewer lateral connections, 1 sewer cleanout, 6 new lateral water service connections, 36 new gate valves, 1 new fire hydrant, trenching, backfill, base course, 40 square feet of sidewalk, curb and gutter, 6-foot wide waterway, asphalt, fill, engineering and bonding. Construction is intended to begin in March 2026 and be completed in September 2026.

The applicant indicated they have a funding package awarded in 2023 that they have not closed on; they are working on it and the closing will be April 22, 2025. Bids were difficult and prices have increased. They have a contractor in place and set to commence after the closing.

Mr. Zeenati asked if they could take a bit more loan and suggested the tool minimum; \$2,670,000 grant and a \$1,145,000 loan for 30Y @ 0.5%.

Naghi Zeenati made and Jerry Taylor seconded a motion to place this project on the priority list for possible funding at the June 5, 2025 funding meeting as a \$2,670,000 grant and a \$1,145,000 loan for 30Y @ 0.5% (total \$3,815,000) to include review and approval of plans and specifications by the Division of Water Quality and the Division of Drinking Water prior to advertising the project for bids. The motion carried with the chairman abstaining.

4.7 Spring City – Fire Department Expansion (Sanpete) [2:21:14]

Spring City presented a funding assistance request as a \$1,128,323 grant for a fire stations expansion. This project consists of the construction of a multipurpose building to include, excavation, permitting, site preparation, utilities, HVAC, foundation, driveway, finished office space, garage, 3.5 each bath rooms, kitchen, mechanical room, storage room, clean room, laundry room, engineering and bonding.

The applicant stated they are a small community in Northern Sanpete County and is a designated historic district. The fire department is set to receive a new fire engine from the fire district with no place to house it. They have been seeking solutions to upgrade the facilities and will be renovating the current facilities. They will add a bay and facilities for the fire department as a cost-effective solution. This project will facilitate the training of the fire fighters, to care for and maintain the equipment for the next call. The existing building has 3 bays housing 4 trucks and they back into the bays. The renovation will include drive through bays and house the new engine and will accommodate future vehicles and needs for the next 25-30 years. This is in a central location and maintains the historic district. Reference was made to the lag time to get emergency response.

Chairman Wells clarified the turnout gear equipment is not eligible from for CIB funding as the funds are for capital projects and infrastructure.

Commissioner Bartholomew referred to the Spring City fire fighters having worked to be certified; it is a volunteer fire department. The firetruck is being provided by Sanpete County to be delivered in August.

Ms. Hanson referred to the need for vehicles and asked if it is their intent to come back to CIB to fund an ambulance.

The applicant stated they have an ambulance that will need room in the building and there is no plan to seek funding for a new vehicle. The ambulance is currently housed in Mt. Pleasant so EMT's have to drive to Mt. Pleasant to get the vehicle. This project will provide space to keep the vehicle closer.

Ms. Hanson suggested an interest-bearing loan.

Commissioner Lytle asked if they had funds they were contributing and if they could accommodate a loan as recommended by the funding tool.

The applicant stated they have invested their \$300,000 in the building to retrofit the building for other purposes; this is additional refurbishing to accommodate the additional space for the fire department.

Jack Lytle made and Jerry Taylor seconded a motion to place this project on the priority list for possible funding at the June 5, 2025 funding meeting as a \$676,323 grant and a \$452,000 loan for 30Y @ 1.0% (total \$1,128,323).

Commissioner Bartholomew asked the applicant if they could accommodate the funding package.

The applicant indicated they will make it happen.

Jack Lytle made and Jerry Taylor seconded a motion to place this project on the priority list for possible funding at the June 5, 2025 funding meeting as a \$676,323 grant and a \$452,000 loan for 30Y @ 1.0% (total \$1,128,323). The motion carried with the chairman abstaining.

4.8 Town of Scipio – Water Meter Upgrade (Millard) [2:39:28]

The Town of Scipio presented a funding assistance as a \$111,000 grant for water meter upgrades. This project consists of water system improvements to include the purchase of 296 cellular capable electronic water meters, all necessary equipment and components for installation, equipment to read the meters, software, and installation. The replacement of meters is scheduled to begin July 1, 2025 water meter upgrades and engineering.

The applicant stated they are a small farming/ranching community with a few newly retired residents. They are far from hospitals or grocery stores but have a few service stations. They put a new waterline in the 1980's and the meters have not been upgraded. This project will improve the infrastructure with new radio read meters which will save money and water. They are paying for the installation and the training of staff; this is just the equipment.

Ralph Brown made and Bill Winfield seconded a motion to place this project on the priority list for possible funding at the June 5, 2025 funding meeting as a \$111,000 grant citing a financial hardship exemption. The motion carried with the chairman abstaining.

7. Supplemental Requests [2:43:24]

7.1 Zion Mountain Special Service District – East Zion Visitors Center

On February 4, 2021, the Permanent Community Impact Fund Board authorized a \$15,550,000 loan for 30 years @ 1.0% to the Kane County Municipal Building Authority.

On April 7, 2022, the Permanent Community Impact Fund Board reauthorized a \$15,550,000 loan for 30 years @ 1.0% to the local building authority of Zion Mountain Special Service District.

Zion Mountain Special Service District requested time on the April 3, 2025 CIB meeting to request supplemental funding as a \$6,413,000 loan for 30 years @ 1.0%.

This project consists of the construction of an 8000 square foot visitors center on the East entrance of Zion National park to include a 6000 square foot administration building, first aid station, restrooms, offices, storage space and a common meeting area, parking lot with shade islands and an additional 2000 square foot rest room, transit hub, courtyards, road relocation and landscaping.

The applicant indicated this project is in progress. The UDOT highway project associated with this project is complete and the trail leading to the Zion Park Entrance is in place as well as other improvements and turnouts on Highway 9. The project is ongoing and is supported by the surrounding counties; Kane County and

Washington County. The project is to be completed in 2026. With the recent closure of the tunnel, this end of the project and parking has become more critical. The original funding request came from Kane County; subsequently it came in under the Zion Mountain Special Service District. The applicant has contributed close to \$6,000,000 to the project. There are still some funds in the original funding award and they have an additional \$2.7 million but an additional \$6,413,000 is needed to complete the entire scope of the project. The project has taken longer than anticipated and inflation has created a shortfall.

Mr. Zeenati indicated he has seen the project and recommended all to see this beautiful project. It has accommodations to enjoy before entering the park. He noted his support.

Chairman Wells asked about the process to get the park service to work with and support the district on this entrance expansion.

The applicant indicated the park service had a visitor use management plan and was looking for a facility to accommodate visitors at this end since the 1980's. They had no ability to facilitate this type of project on their own. This is a positive for the Park Service and is a resource for the traveling public as well as the educational component with education opportunities. The facility is called the Discovery Center. Conservation is a key focus for the East Entrance and the Discovery Center Facility. *(The Zion-Mt. Carmel Tunnel in Zion National Park is currently open, but some changes are planned; starting in mid-2026, larger vehicles exceeding certain dimensions (11'4" tall, 7'10" wide, 35'9" long, or 50,000 pounds) will be rerouted around the tunnel via alternate routes resulting in approximately 40 miles extra travel.)*

Commissioner Miles questioned the supplemental request at this stage of construction. Who is paying back the loan and was this additional loan included in the original public hearing for the project.

The applicant indicated the loan revenue is through a TIF allocation from the county. It has been amended to accommodate additional revenue. The original request was for \$15,550,000. There has been an additional public hearing and the additional request has been clarified.

Commissioner Lytle asked if this supplemental funding is for the original scope of work and not an addition to the scope.

The applicant indicated the cost of construction has increased and the original bid cost has been exceeded.

Mr. Slaugh asked again when the project would be completed and open and asked about the tax increments.

The applicant indicated the Discovery Center will be open the first quarter of 2026. The tax increments come from the county allocated to this project. This is the only loan on the project.

Mr. Slaugh acknowledged the new request would be a new bond and the Board can determine terms.

Kirt Slaugh made and Laura Hanson seconded a motion to fund the supplemental request as a \$6,413,000 loan for 30 years @ 2.0%.

The applicant stated they requested a 1% rate as the financing has been complicated and have provided additional applicant cash. This can open up this side of the Park for tourism and encouraged a 1% rate.

Mr. Slaugh suggested there are likely to be revenues coming through the project and CIB must consider a lot of hardship cases for critical infrastructure. On the open market the rate would be 4.5% to 5%; a 2% rate seems reasonable.

Chairman Wells referenced the funding tool median interest rate which is 2.5% but does include some grant.

Mr. Zeenati acknowledged inflation caused the shortfall and they did not intend to come to CIB. The project benefits the whole state, the land was donated by Mr. McLaws and UDOT has spent a lot of money on roadway

improvements.

Naghi Zeenati made and Laura Hanson seconded a substitute motion to fund the supplemental request as a \$6,413,000 loan for 30 years @ 1.0%.

Commissioner Lytle asked if the other property owners have set aside some ground for commercial or private development or is the development only going to be the Discovery Center; is there room for economic growth?

The applicant indicated there will be development on the 4 miles of corridor going into the Park. The conservation easement is on the doorstep of the park and is intended as a natural buffer. There is a 2 mile stretch from the Discover Center to the Park where there is an easement approximately a quarter mile outside of the Park boundary. Future projects will come in as part of the bigger plan including economic growth.

Mr. Slaugh suggested there will be increased tax increment revenue to assist the ability to make the payments.

Commissioner Winfield acknowledged the value of the conservation corridor and the value of the West Entrance. Even though it is crowded; there are a lot of county commissioners enjoying the TRT revenue and the TRTCA taxes generated by the visitors. This end will likely generate a similar revenue.

The applicant noted it will be economically viable in the area, but they are seeking a responsible land use to build longevity and natural appeal. The park did donate to the UDOT project; red gravel for the roundabout.

Chairman Wells asked how much private land remains that is being improved by this infrastructure? There is a master plan for the commercial property that is in a relatively close distance to this project.

The applicant stated they own a lot of the land around and there is a lot of other privately-owned lands neighboring this project.

Chairman Wells noted the Board is supportive of the project and acknowledged the coordination; there is a lot of economic development in this project and the CIB funding supports a lot of struggling rural communities. As a good steward of the funds, this type of project would merit an increased interest rate.

Chairman Wells called the question on the substitute motion.

Naghi Zeenati made and Laura Hanson seconded a substitute motion to fund the supplemental request as a \$6,413,000 loan for 30 years @ 1.0%. The motion failed with Laura Hanson, Jerry Taylor, Bill Winfield and Naghi Zeenati in favor and Kirt Slaugh, Scott Bartholomew, Jack Lytle, Dean Baker, Greg Miles and Ralph Brown opposed.

Chairman Wells called the question on the original motion.

Kirt Slaugh made and Laura Hanson seconded a motion to fund the supplemental request as a \$6,413,000 loan for 30 years @ 2.0%. The motion carried with the chairman abstaining.

Gordon Walker, with Zion Mountain SSD thanked the Board for their thoughtfulness. The CIB Board is one of the greatest boards the State of Utah has. When he was chairman of this he learned to love rural Utah.

[3:18:03] *Naghi Zeenati was excused from the meeting.*

8. Request for Special Consideration N/A

5. Large Infrastructure Projects N/A

6. Pending Projects N/A

Chairman Wells called the meeting to order with a welcome and introduction of Cody Christensen as the Regional Planner at Five County AOG to assist with CIB projects.

9. Board Member Discussion and/or Action Items [\[02:12\]](#) *Discussed at beginning of Meeting:*

9.1 2025 Legislative Update

9.2 Deep Water Port discussion

9.3 Utah Project Portal Update

9.4 CIB Board 3rd Trimester Meeting Reminder – June 5-6, 2025 – Richfield City

[3:18:40]

9.5 Closed Session – The Board may consider a motion to enter closed session pursuant to Utah Code Ann. § 52.4.205(1)(c).

Justin Anderson, Deputy Attorney General indicated there would be a short- closed session to discuss SB187 and changes that present legal clarification concerning the Throughput Fund.

[3:19:06] 12:42 pm

Scott Bartholomew made and Ralph Brown seconded a motion to go into closed session for legal purposes. The motion carried with the chairman abstaining.

[3:21:22] Open Session

Chairman Wells noted the Board has scheduled a tentative virtual meeting for May 15, 2025 @ 8:00 am. Chairman Wells noted the Deep-Water Port Discussion will be at the June 6, 2025 CIB Policy Sessions in Richfield, Utah. Invitations will be sent by Chairman Wells for that discussion.

Mr. Slaugh wanted to know the criteria for evaluating a critical mineral.

Chairman Wells indicated the critical minerals funding is a mandate in statute, but the question is relevant for Throughput application evaluations as the Board has never administered a TIF application or project.

Mr. Slaugh clarified that with the first applicant/project has already been determined.

Justin Anderson, legal counsel to the Board stated the submittal of an application is the next step.

The Throughput Process was discussed. Statutorily the funding must pass through an eligible public entity.

Meeting Adjourned 1:24 PM.

Submitted by;
Candace Powers