

PERMANENT COMMUNITY IMPACT FUND BOARD MEETING

Department of Workforce Services
Housing and Community Development Division
Salt Lake City, Utah
Electronic Meeting via Zoom Webinar

July 9, 2020

Members Present

Jonathan Hardy	Chairman
Bruce Adams	Southeastern Utah Association of Local Governments
Naghi Zeenati	State Transportation Commission
Irene Hansen	Duchesne County
Gregg Galecki	State Board of Water Quality
Jack Lytle	Uintah Basin Association of Governments
Dean Baker	Uintah County
Kyle Stephens	State Board of Water Resources
Garth "Tooter" Ogden	Six County Association of Governments
David Damschen	State Treasurer
Mike Dalton	Five County Association of Governments

Staff and Visitors

Keith Heaton	Housing and Community Development
Candace Powers	Housing and Community Development
Gayle Gardner	Housing and Community Development
Brenda Brown	Housing and Community Development
Pam Sjostrom	Housing and Community Development
Paul Moberly	Housing and Community Development
Kayl Smith	Housing and Community Development
Jordan Katcher	Housing and Community Development
Aubrey Larsen	Housing and Community Development
Alison Garner	Attorney General's Office
Margaret Lautaimi	Department of Workforce Services
Debi Carty	Department of Workforce Services
Christina Davis	Department of Workforce Services
Skyler Davies	Division of Water Quality
Bill Prater	Bond Counsel
Marcus Keller	Zion's Bank
Mark Anderson	Zion's Bank
Jennifer McIlnay	Beaver Fire & Ambulance
Craig Wright	Beaver County Search and Rescue Director
Jack Erwig	Beaver County Fire Service District #1
Kevin Eldredge	Town of Hatch
Justin Christensen	Ensign Engineering
Kurt Sawyer	Town of Hatch
Jacie Torgersen	Town of Hatch
Brent Christensen	Town of Annabella
Kelvin Johns	Town of Annabella
Koby Willis	Town of Circleville
Tyson Jewkes	Ensign Engineering

Kristi Westwood	Town of Circleville
Johnny C. Parsons	Monroe City
Jacee Barney	Monroe City
Allison Leavitt	Monroe City
Michael Mathie	Monroe City
Janet Cartwright	Monroe City
Devin Magleby	Monroe City
Kathy Maxwell	Salina City
Jed Maxwell	Salina City
Cade Hunter	Salina City
Jeff Willden	Salina City
Bob Abercrombie	Ballard City
Greg Buxton	Ballard City
Kaelyn Meyers	Ballard City
Andrew Dutson	Town of Lynndyl
Mayor Chris Hart	Ivins City
Lane Mecham	Ivins City
Dale Coulam	Ivins City
Jesse Ralphs	Sunrise Engineering
Kendrick Thomas	Jones & DeMille Engineering
Michael Hawley	Jones & DeMille Engineering
Lyndon Friant	Jones & DeMille Engineering
Jeff McCarty	Sunrise Engineering
Ben Coray	Sunrise Engineering
Jason Blankenagel	Sunrise Engineering
Justin Atkinson	Sunrise Engineering
Zach Leavitt	Six County Association of Governments
Kevin Yack	Uintah Basin Association of Governments
Will Wright	Uintah Basin Association of Governments
Brian Carver	Bear River Association of Governments
Kimberly Madsen	Legislative Fiscal Analyst
Clayton Berg	Siddons-Martin Emergency Group
Greg Todd	Duchesne County
Brandon Johnson	Farnsworth Johnson
Jeanette Johnson	Blaisdell, Church & Johnson
Unknown	Utah Tar Sands Resistance
Ron Winterton	Senator - Duchesne County
Kurt Mower	Roosevelt City

Attendee's via Phone
 206-***-442
 435-***-266
 801-***-540

WELCOME

The Permanent Community Impact Fund Board (CIB) Meeting was held on Thursday, July 9, 2020 via Zoom Webinar and was called to order at 8:30 a.m. by Chairman Jonathan Hardy.

Chairman Hardy noted that the rail project discussion would not be on today's meeting.

Mr. Zeenati requested a moment of silence in memory of Lisa Nelson, Division of Drinking Water. (Lisa provided reviews for the Board's water applications and she passed unexpectedly after a brief illness.)

Chairman Hardy expressed appreciation for Lisa's contribution to the Board. She will be missed.

I. ADMINISTRATIVE ITEMS

1. Up-coming Meeting Dates and Locations

August 6, 2020 CIB Review Meeting – Zoom

September 3, 2020 CIB Review Meeting – Zoom

October 1, 2020 CIB Funding Meeting – Format to be determined

2. Financial Review: [03:16]

Candace Powers noted the new FY21 application format, the funding tool created through criteria established by the Board in regard to projects and funding will be discussed throughout this meeting. The status of the funds for today's meeting was reviewed.

3. Review of Agenda Items:

There are nine new projects and one pending project from the Town of Lynndyl.

An item noted on the Agenda in the Board member discussion items would not be discussed.

Jack Lytle made and Mike Dalton seconded a motion to remove the "Update on Uintah Basin Railway Project" discussion item, noted on the agenda attached in the Utah Public Meeting Notice. The motion carried unanimously through roll-call vote.

II. WELCOME & INTRODUCTIONS [06:44]

A roll call was conducted in regard to Board attendance. All Board members were present.

III. APPROVAL OF MINUTES [9:10]

Chairman Hardy requested a motion to approve the minutes from the June 11, 2020 funding meeting.

Naghi Zeenati made and Jack Lytle seconded a motion to approve the minutes of the June 11, 2020 CIB Funding Meeting. The motion carried unanimously through roll-call vote.

IV. PRIORITY PROJECTS [10:13]

Chairman Hardy referred to the legislative audit and the continued responsibility to adhere to consistent funding decisions and suggested the Board review the tool's proposed recommendations. He indicated there will be ongoing discussion and adjustments where necessary prior to the October funding meeting.

The Board requested further training and discussion for better understanding of the criteria which the calculation tool uses to assess and provide funding alternatives. The Board appreciated the increased amount of information provided in the review sheet.

4.1 Ballard City (Uintah County) [15:46]

The City of Ballard presented a funding request of \$628,500 for the construction of the Serenity Park roadway and drainage. This project consists of road improvements to improve .28 miles of roadway access and drainage into Serenity Park and the approach intersection into US Highway 40 to include approximately 800 cubic yards of granular borrow, 1300 cubic yards of untreated road base and 3/4" hot mix asphalt; 3,120 linear feet of curb and gutter with 4' sidewalk, 6 storm drain curb inlet with bicycle safe grates, 800 feet of 18" corrugated metal storm drain pipe, pulverize and mix 5800 square

yards of pulverized existing asphalt and the installation of 37,500 cubic feet of ACO StormBrixx storm detention system structure.

Proposed:

\$ 377,000 Loan 10y @ 0.5%

\$ 251,500 Grant

Mayor Bob Abercrombie, Greg Buxton and Kaelyn Meyers represented Ballard City.

Mayor Abercrombie indicated the applicant cash of \$210,000 is coming from their capital improvement fund. This road is currently an unimproved gravel road with two access points; one on Highway 40 and one on 2500 Road. This project will improve safety and drainage around Serenity Park.

The Chairman indicated the information provided by Ballard through the funding tool produced a proposed funding package of a \$377,000 loan for 10 years at 0.5% and a \$251,500 grant.

The applicant indicated their preference is a 75% grant and 25% loan or a 70% grant 30% loan. They are contributing \$210,000 cash. There are no other funding sources.

Commissioner Lytle asked how the Board's calculation tool assesses the loan/grant mix when given total project amount with variables such as applicant cash amounts and application funding requested.

Staff discussed the application review sheet information; applicant cash is a factor in the calculation. For every 1% of the total outside cash it raises the grant ceiling by .5%. The tool provides parameters in regard to the Board's guidelines while taking into account affordability. On Ballard's application, an annual debt service of \$50,000 was indicated wherein 75% of the stated debt service goes into the calculation which includes the MAGI.

Chairman Hardy noted the debt service number is affecting the grant/loan mix. The tool has done as intended in consideration of factors such as a producing county, etc. Staff and Board will continue review the tool for consistency of all applications prior to the funding meeting.

Mr. Moberly, Community Development Office, noted the debt service amount provided by the applicant is a factor in deciding the grant vs. loan mix. Applicant cash is also a factor to raise the grant ceiling.

Chairman Hardy referred to the first two projects on the agenda wherein the applicants have indicated a similar debt service amount which has then provided a similar loan amount. Subsequently, the larger project has a larger grant amount. The affordability component may need some adjustment as both are similar projects from producing counties.

Mr. Galecki suggested the applicant should still be able to make a funding request.

Mr. Zeenati acknowledged a good public hearing discussion and also suggested an additional column for the applicants loan/grant request.

The applicant did not know who generated a \$50,000/year self-reported assessment of the "Annual Debt Service Capacity" but that amount is not affordable for the Town of Ballard.

Commissioner Dalton stated that affordability should be a big factor in the loan/grant mix.

Chairman Hardy noted the tool currently computes similar terms for a \$1 million request and a \$10 million request but the calculation does not take into consideration the size of the request. .

Commissioner Dalton indicated the role of the Board is to determine a change in scope if a large project is presented but the entity can only afford a small payment; the Board should request that a viable cost effective application be presented.

Chairman Hardy suggested a proposed scenario generated from the tool should be similar from the top two producing counties for similar projects and affordability should be a factor.

Mr. Galecki asked if the "Debt Payment capacity" factor is filled in by the applicant and if there is a way to confirm the number.

Chairman Hardy stated the debt payment amount is currently self-stated on the application. The number is not independently verified as a proposed available payment but the goal is to have a verified number based on the financial information provided.

Commissioner Ogden asked if the proposed suggestion is coming from the information the applicant has supplied.

Chairman Hardy said it is what the applicant indicated but is not independently verified. The applicant has noted they are not comfortable with the calculated payment. The Board should seek consistency in reviewing today's applications noting the anomalies created by the tool right now. By the October funding meeting, much will be clarified.

Dean Baker made and Jack Lytle seconded a motion to place this project on the Priority List for final approval at the October 1, 2020 funding meeting as a \$157,000 loan for 10 years at 0% interest and a \$471,500 grant (total \$628,500).

Gregg Galecki made and Kyle Stephens seconded a second substitute motion to place this project on the Priority List for final approval at the October 1, 2020 funding meeting as a \$377,000 loan for 10 years at 0.5% and a 251,500 grant (total \$628,500). The motion failed with David Damschen, Gregg Galecki, Kyle Stephens and Naghi Zeenati in favor and Bruce Adams, Dean Baker, Mike Dalton, Irene Hansen, Jack Lytle, and Tooter Ogden opposed.

Commission Dalton asked why the original motion was for more grant than the applicant requested in their minutes.

Mayor Baker indicated they are a producing county. They should have a preference.

Naghi Zeenati made and David Damschen seconded a second substitute motion to place this project on the Priority List for final approval at the October 1, 2020 funding meeting as a \$189,000 loan for 10 years at 0.5% and a \$439,500 grant (total \$628,500). The motion carried with Mike Dalton, David Damschen, Gregg Galecki, Kyle Stephens, Naghi Zeenati and Jonathan Hardy in favor and Bruce Adams, Dean Baker, Irene Hansen, Jack Lytle, and Tooter Ogden opposed.

The Chairman noted that this project is on the Priority List for funding in October. There will be more discussion on the funding tool.

4.2 Annabella Town (Sevier County) [01:10:45]

The Town of Annabella presented a funding request of \$2,397,000 for roadway improvement construction. This project consists of road and drainage improvements in the Town of Annabella to

include 1.75 miles of chip seal over existing HMA roads, 1.82 miles of shoulder repair with 1.5" overlay, 5.32 miles of CTB with Double Chip Seal, 130 LF 6" cross gutter, 12 valves with collars, 4 manholes with collars and 1 street light for a total repair length of 8.89 miles.

The application request was for grant funding of \$2,397,000.

Proposed:

\$ 360,000 Loan 10y @ 1.5%

\$ 2,037,000 Grant

Mayor Brent Christensen, Kelvin Johns and Lyndon Friant represented the Town of Annabella.

The applicant indicated over the last 15 years, the town has made their roads a hard surface utilizing rotomill materials. The rotomill roads have little structure and are falling apart. A plan was created to address the issues and extend the life of the streets 10 years. They have a limited tax base and limited revenue and are requesting 100% grant.

The Board asked if this project could be done in phases and asked what loan funding could be accommodated.

The applicant stated they have not considered a loan but would consider 15% loan and 85% grant. The whole project needs to be completed to maximize the longevity of the road improvements. They have looked into UDOT major collector funds but there is not the required traffic count to qualify.

Treasurer Damschen noted that funding is largely accommodated in conjunction with available funding through current mineral lease revenue available to allocate. Consideration of affordability of each application as unique, so making comparisons to other entities is not relevant to the discussion at hand.

The applicant stated they want to do these roads and also save for maintenance.

The Board asked the applicant if they considered using SMA (stone mastic asphalt) instead of HMA (hot mix asphalt) to prolong road life for a cost savings long term and asked about truck traffic on their roads.

The applicant noted the price differences of the HMA, SMA and chip seal applications did not represent a cost savings and stated there is not a lot of sustained heavy truck traffic on their roadway.

The Board noted the applicant put \$100,000/year on the application as debt service and asked if that was accurate.

The applicant did not understand Debt Service Reserve to be the amount of a yearly payment amount and is not within their affordability range. They stated the Board has provided better funding to other similar projects.

The Board referred to the last 16 road projects in Sevier County, stating 9 of those have had 30% to over 50% loan. There isn't any cash or matching funds and asked about maintenance or replacement as this project only extends the life of the roads 4-5 years.

The applicant's revenue is minimal and they are saving for maintenance and for future roadwork to lengthen the life cycle of the roadway using a seal coat and keeping up with maintenance seeking a potential 15 to 20 years before reconstruction would be necessary.

The Board indicated the public meeting minutes indicated seeking only a grant though funding may be grant and loan and also asked if the engineering was competitively bid.

The applicant stated no competitive engineering bids were collected. Also, they want to maintain their roads with the B&C road funding for the next 10 years.

Mayor Baker referred to Ballard's funding package and suggested a 70% loan @ .5% interest and a 30% grant for this project which would be a \$72,000 annual payment for 10 years.

Chairman Hardy suggested that the project be scaled back to an affordable payment; a 30% loan of \$360,000 and a 70% grant which would be \$840,000 (total \$1,200,000) with a payment amount of \$39,036/year as suggested on their application.

The applicant stated if they do half a project, then in three to five years they will be back asking for more money.

Chairman Hardy acknowledged Annabella's situation but there are other funding sources. CIB is trying to fund projects with some consistency within the CIB's parameters.

Dean Baker made and Gregg Galecki seconded a motion to place this project on the Priority List for final approval at the October 1, 2020 funding meeting as a \$400,000 loan for 10 years at 0.5% and a \$933,333 grant (total \$1,333,333). The motion carried unanimously through roll-call vote.

4.3 Monroe City (Sevier County) [01:49:16]

The City of Monroe presented a funding request of \$180,000 for Cemetery expansion. This project consists of cemetery improvements to include expanding the current cemetery by 3.25 acres which adds 1,801 5x1 spaces south of the current cemetery, utilizing 1300 cubic yards of untreated base course to provide 24' wide roads, a new parking area, a directory kiosk, a Veterans Memorial, restroom facilities, removal of existing fencing and adding 920 linear feet of 5' chain link fencing and brace posts, landscaping and a sprinkler system. The applicant is contributing \$100,000 cash.

Proposed:

\$ 180,000 Loan 20y @ 2.0%

Mayor Devin Magleby, Jacee Barney, Allison Leavitt, Michael Mathie, Janet Cartwright, and Johnny C. Parsons represented the City of Monroe.

Mayor Magleby stated the cemetery is reaching capacity and the City of Monroe owns the land for the expansion. Citizens have requested a Veterans Memorial. They increased their applicant cash to \$120,000 and their request to CIB was reduced to \$160,000 with a request for \$100,000 grant and \$60,000 loan.

The Board suggested other funding sources for the Veteran Memorial.

The applicant stated that the American Legion has been approached and has pledged to fundraise to increase the scale of the memorial.

The Board commended Monroe's efforts in memorializing veterans and their diligence in budgeting the scope of the project to be affordable with cash of \$120,000.

Dean Baker made and Tooter Ogden seconded a motion to place this project on the Priority List for final approval at the October 1, 2020 funding meeting for final approval as a \$100,000 loan for 20 years at 0.5% and a \$60,000 grant (total \$160,000).

Gregg Galecki made a substitute motion to place this project on the Priority List for final approval at the October 1, 2020 funding meeting as a \$160,000 loan for 30 years at 2%. The motion failed due to lack of a second.

Ms. Powers noted that loan terms should not exceed the life of the project and recreational and cultural projects normally do not exceed a 20 year loan term.

The Chairman called the question on the original motion.

Dean Baker made and Tooter Ogden seconded a motion to place this project on the Priority List for final approval at the October 1, 2020 funding meeting as a \$100,000 loan for 20 years at 0.5% and a \$60,000 grant (total \$160,000). The motion carried with Bruce Adams, Dean Baker, Mike Dalton, David Damschen, Irene Hansen, Jack Lytle, Tooter Ogden, Kyle Stephens and Naghi Zeenati in favor and Gregg Galecki opposed.

4.4 Salina City (Sevier County) [02:05:41]

The City of Salina presented a funding request of \$849,000 for the purchase of 2 Fire Trucks. This project consists of replacing two outdated and unsafe Salina Fire Department fire trucks with 2 new fire trucks; a Pierce Commercial Kenworth T370 4x2 pumper which will have a ladder rack and a Pierce Commercial Kenworth T370 4 x 2 pumper which will have a winch and water cannon. The applicant is contributing \$46,000 cash.

Proposed:

\$ 127,000 Loan 15y @ 0.0%
\$ 722,000 Grant

Mayor Jed Maxwell, Cade Hunter, Jeff Willden and Kathy Maxwell represented the City of Salina.

The applicant indicated their 1985 pumper truck has not met ISO standards for 5 years and has mechanical issues. The rescue truck has several safety issues including weight and mechanical.

The Board indicated the minutes of the public hearing did not appear to discuss the funding and how it will impact the community regarding repayment.

The applicant stated that a second public hearing was held and they specified the estimate of the project to CIB but did not broadcast financial terms or how it might impact the citizens.

The Board acknowledged the need for emergency services in rural areas and asked if they had solicited other funding for this purchase.

The applicant contacted the USDA on a contingency grant for \$10,000 to purchase equipment.

The Board referred to similar projects, suggesting a larger percentage of loan with a payment deferral of 2 years in regard to other debt reduction in 2023.

The applicant noted the amount the calculation tool proposed for a \$127,000 loan over 15 years at 0% would be affordable. They do not charged a fee to the communities they assist but the county

subsidizes the fire department to cover those areas. This year fees are assessed for calls to assist on the 46 miles of I-70 but no fees have been collected.

The Board asked if there was a competitive bid process.

The applicant indicated four companies were contacted for bids; two companies responded and the competitive bid was selected.

The Board commended the applicant for their care and compliance with law in maintaining their equipment and asked if they were aware of any federal assistance to cover the 46 miles of I70.

The applicant was not aware of any federal funding but they have implemented charges to insurance this year.

The Board suggested a 75% grant and 25% loan with a 3 year deferral.

Mike Dalton made and Dean Baker seconded a motion to place this project on the Priority List for final approval at the October 1, 2020 funding meeting as a \$213,000 loan for 15 years at 0% with a 3 year principle deferral and a \$636,000 grant (total \$849,000). The motion carried unanimously through roll-call vote.

4.5 Beaver Fire District #1 Local Building Authority (Beaver County) [2:36:28]

The Beaver Fire District #1 presented a funding request of \$319,000 for the purchase of a Fire Truck. This project consists of the purchase of a Type 1/3 hybrid style international IHC 4800 Pumper Truck with capability to fight wildland and structure fires. The application is contributing \$70,638 cash.

Proposed:

\$ 191,000 Loan 15y @ 1.5%
\$ 128,000 Grant

Commissioner Mike Dalton disclosed that he sits on the board of the Beaver Fire District #1.

Craig Wright, Jack Erwig, Jennifer McIlnay and Marcus Keller represented Beaver Fire District #1, Local Building Authority for projects 4.5 and 4.6.

The applicant indicated the fire truck is a hybrid built specific for wildland fires with structural fire-fighting capability. The area they service is 80% BLM and Forest Service. This new apparatus will enable servicing structures and cabins in the area which include primary residences.

The Board asked why a financial advisor was required for these two applications and asked if the financial advisor had reviewed the proposed request.

The applicant noted that their standard procedure is to utilize a financial advisor. Marcus Keller, Financial Advisor with Zion's Bank stated that it has been a common practice within the Fire District #1 to consult with Zion's financial team to review affordability and debt structure to determine the Debt Service and assist in the application completion and reviewed the payment amounts in the proposed funding package. He expressed no concerns with the new CIB funding structure.

The Board indicated the public hearing minutes do not indicate public disclosure regarding affordability and community impact. *The Board requests that all future applicants heed the requirements and provide minutes that specifically confirm and detail the discussion regarding affordability and the amounts provided to the public.*

The applicant stated that the total application request does not include equipment. The Beaver Fire District #1 will fund the equipment. The two vehicle purchases bear separate revenue sources with the ambulance service uses enterprise revenue and the fire equipment uses tax revenue and the useful life is different for ambulance and fire truck.

Gregg Galecki made and David Damschen seconded a motion to place this project on the Priority List for final approval at the October 1, 2020 funding meeting as a \$191,000 loan for 15 years at 1.5% and a \$128,000 grant (total \$319,000). The motion carried unanimously through roll-call vote.

4.6 Beaver Fire District #1 Local Building Authority (Beaver County) [02:48:42]

The Beaver Fire District #1 presented a funding request of \$255,242 for the purchase of an Ambulance. This project consists of the purchase of a Ford AEV Trauma-Hawk Type 1 4WD custom ambulance with a 172" module body mounted on the 2020 Ford F450 4 x 4 dual rear wheel cab/chassis with a 16,500 gross vehicle weight rating.

Proposed:

\$ 191,000 Loan 10y @ 0.0%

\$ 64,242 Grant

Gregg Galecki made and Mike Dalton seconded a motion to place this project on the Priority List for final approval at the October 1, 2020 funding meeting as a \$191,000 loan for 10 years at 0% and a \$64,242 grant (total 255,242). The motion carried unanimously through roll-call vote.

4.7 Town of Hatch (Garfield County) [02:50:05]

The Town of Hatch presented a funding request of \$90,000 for roadway improvements. This project consists of road improvements to include 3.43 miles of double chip seal of all current roads (2.95 miles) in the town as well as two additional roads (.48 miles) that are currently gravel. The preparation for the chip sealing of the two additional roads will be performed by the Town of Hatch and Garfield County will apply the double chip seal to all the town roads. The applicant is contributing \$10,000 cash.

Proposed:

\$ 90,000 Loan 10y @ 1.5%

Mayor Kevin Eldredge, Kurt Sawyer, Jacie Torgersen, and Justin Christensen/ Ensign Engineering represented the Town of Hatch.

The applicant indicated the roads were chip sealed in 2001 which lasted until 2012 as B&C road funds were accumulated and they were chip sealed in 2014. In the last two years truck traffic has increased and the roads have deteriorated. They noted the annual debt capacity listed on their application; \$1,975,657.08 ...was erroneous. It was actually around \$10,000.

The Board suggested that the town keep their cash and consider a \$100,000 loan @ 1%.

The applicant would talk to Garfield County concerning their \$23,000 in kind, but they are requesting all grant and not loan.

The CIB staff noted the proposed funding was not correlated to the \$1,975,657.08 debt service number provided. It was also stated that loans can be accommodated for under \$100,000 but with the cost of issuance, it is not as cost effective.

The Board requested clarification of the reference to the BLM road.

The applicant stated the road to BLM property is not a town road, but it was suggested that the Town chip seal that road because a resident lives out there but it was not included in the chip seal project as it was not a town road. The applicant could accommodate a \$10,000 payment. DOT recently added a third lane and in the next few years, they will add curb and gutter. The timing of the project is good as Garfield County had time to do this project this year.

Chairman Hardy noted that loans under \$100,000 could utilize a generic bond which would be a reduced cost. It was noted that funding calculation tool determines a proposed funding scenario with consideration to affordability.

The applicant said they would like to keep their cash and increase the loan amount from \$90,000 to \$100,000.

The Board commended the engineering to provide an affordable scope and cost for this project.

Mr. Zeenati suggested the applicant request be added to the review sheet for the next meeting.

Naghi Zeenati made and Dean Baker seconded a motion to place this project on the Priority List for final approval at the October 1, 2020 funding meeting as a \$100,000 loan for 10 years at 1% with no applicant cash. The motion carried unanimously through roll-call vote.

4.8 Ivins City (Washington County) [03:06:45]

The City of Ivins presented a funding request for \$3,115,000 for a new constructed City Hall. This project consists of a new 12,247 square foot city hall building on the corner of Main Street and 100 North to include the city council chambers, city administration offices, city public works, building and zoning, public restrooms, storage areas, retaining walls, landscaping and irrigation, sidewalks, curb & gutter, ADA ramp, 3 flagpoles & signage. The applicant is contributing \$1,074,919 cash.

Proposed:

\$ 3,115,000 Loan 30y @ 3.5%

Mayor Chris Hart, Dale Coulam and Lane Mecham represented Ivins City.

Mayor Hart indicated there isn't space for the existing staff. In 2012 our law enforcement was merged with Santa Clara City but remains under Ivins management for law enforcement for both cities. The law enforcement team was occupying a corner of the Santa Clara City Hall for law enforcement. That space is no longer adequate. They will be transforming the existing Ivins City Hall into a law enforcement building. They have sold a parcel of land and the proceeds of the sale will go toward the new city hall project. The reduced request is \$2,500,000 as a loan for 20 years @ 2.5%. Ivins City relies on tourism for their commercial revenue base which has been shut down for a time. This will be a lease revenue bond and they would appropriate that amount in the general fund. The construction will begin in September 2020. The applicant requested approval today if possible.

Mr. Zeenati noted that this project has been anticipated for a long time and Ivins has experienced a downturn with the reduction of tourism. The mayor has done very well getting information to the public and has solicited other funding.

Treasurer Damschen left meeting at 11:51 am.

Naghi Zeenati made and Mike Dalton seconded a motion to suspend the rules and fund this project at today's meeting as a \$2,500,000 loan for 20 years at 2.5%. The motion carried through roll call vote with David Damschen absent for the vote.

4.9 Town of Circleville (Piute County) [03:19:55]

The Town of Circleville presented a funding request of \$350,000 for town park improvements. This project consists of town park improvements to include a 24 x 44' pavilion, restrooms, metal building, sidewalks, a 40x40' playground and playground equipment, ~~splash pad~~, pickle ball courts, horseshoe pit, ¼ mile walking path, landscaping, sprinkler and septic. The applicant is contributing \$75,000 cash with \$25,000 in citizen contributions.

Proposed:

\$ 140,000 Loan 20y @ 1.0%
\$ 210,000 Grant

Mayor Koby Willis, Tyson Jewkes and Kristi Westwood represented the Town of Circleville.

The applicant noted the town is 155 years old and the biggest town in Piute County but they have never built a town park. They have no space to hold a town meeting outside and with COVID, there are more meetings outside. It was noted their minutes are not detailed because they have been discussing this project for months in detail. The bids were quite high so the splash pad has been taken off the project. The project will include in-kind efforts by volunteers from the Town for this project.

Chairman Hardy explained that the applicant applied for a lump sum of \$350,000 and the information provided by the applicant was vetted through the funding tool which generated a proposed funding package of \$140,000 loan and a \$210,000 grant.

The Board commended the Town of Circleville for the voluntary service and community strength to pull together and build its park and noted the importance of a small town park. The engineering is only 5%.

The applicant noted that the most important components of this project are the restrooms, a pavilion, a small playground, grass area and the basic elements of a park. These are the elements within the \$450,000 project cost. The town council did not wish to exceed \$100,000 for the loan.

Naghi Zeenati made and Irene Hansen seconded a motion to place this project on the Priority List for final approval at the October 1, 2020 funding meeting as a \$140,000 loan for 20 years at 0.5% and a \$210,000 grant (total \$350,000).

After more Board discussion regarding affordability and maintenance of the project a substitute was made.

Greg Galecki made and Tooter Ogden seconded a substitute motion to place this project on the Priority List for final approval at the October 1, 2020 funding meeting as a \$100,000 loan for 20 years at 1% and a \$250,000 grant (total \$350,000). The motion carried through roll call vote with David Damschen absent for the vote.

VI. PENDING LIST

6.1 Town of Lynndyl (Millard County) [03:39:10]

The Town of Lynndyl presented a project funding request on April 2, 2020 for a Fire Station/Community Center to include demolishing a two bay garage and rebuilding a 3,623 SF addition with 3 bays (two are double deep), an 11'4"x10' equipment storage room and office and restrooms. The remaining portion of the building will be upgraded to meet ADA standards while preserving the historical significance of the

building. The modifications will include filling in an unused basement, dropping an upper level floor to be level with the elevation of the rest of the building, replacing 2 exterior doors and 18 windows, replacing the HVAC system and remodeling the kitchen.

The project was advanced to the priority list as a \$450,000 loan for 30 years at 0% with a \$450,000 grant (total \$900,000) with \$250,000 funds from Fire District and applicant cash of \$50,000.

At the June 11, 2020 CIB funding meeting, the Board noted the applicant should consider various funding options and return on a subsequent CIB meeting with more clarity.

Mike Dalton made and Tooter Ogden seconded a second substitute motion to place this project on the Pending List to allow the Town of Lynndyl time to clarify funding and payments. The motion carried unanimously.

It was suggested that the Town might consider issuing two separate bonds – one for the amount for which the Fire District has agreed to be responsible and the other for the remainder of loan. Each bond would be amortized over the term of years and at the interest rate approved by the Board so that the combined annual payment on the two bonds would be the same as would have applied if the Town had only issued one bond for the entire loan amount. This allows the Fire District to pay off its share early and the bond relating to the Fire District's share would be cancelled and the Town would remain responsible to make payments under the other bond; but those payments would be smaller than would have been applicable if only one bond had been issued for the entire loan amount.

Mayor Andrew Dutson represented the Town of Lynndyl.

The revised request is for two loans, one loan of \$250,000 for the fire station portion which may be paid off early and a second loan for the community center portion to accommodate smaller annual payments. The applicant proposed a 35% loan at 0% and a 65% grant to accommodate a \$3,000/annual payment.

Ms. Powers noted a \$90,000 loan 30 years at 0% has a \$3,000 payment and the second loan is \$250,000 for a total of \$340,000 in loan and the remainder as a grant.

Naghi Zeenati made and Kyle Stephens seconded a motion to fund this project with two loans; the first loan of \$250,000 for 30 years at 0%, and a second loan for \$90,000 for 30 years at 0% and a \$560,000 grant (total \$900,000).

After further discussion of the fire district portion being paid off sooner, a substitute motion was made.

Dean Baker made and Greg Galecki seconded a Substitute motion to fund this project at today's meeting as a \$250,000 loan for 30 years at 2%, a \$90,000 loan for 30 years at 0% and a \$560,000 grant (total \$900,000). The motion carried with Dean Baker, Mike Dalton, Gregg Galecki, Irene Hansen, and Kyle Stephens in favor and Bruce Adams, Jack Lytle, Tooter Ogden and Naghi Zeenati opposed, with David Damschen absent from vote.

IX. BOARD MEMBER DISCUSSION and/or ACTION ITEMS [03:13:28]

9.1 CIB Board Meetings

CIB Board Meeting August 6, 2020 – Zoom Webinar

CIB Board Meeting September 3, 2020 -- TBD

9.2. CIB Loan Deferral Report [03:56:00]

Candace Powers, Program Manager, stated Canyonlands will be completed soon. No other deferral requests have been received.

9.3 CIB Audit & Policy Change Discussion – Part 1 [03:56:17]

Candace Powers noted there is a schedule to review and make policy in regard to the audit.

Keith Heaton reviewed Chapter III audit recommendations.

3.1 states we are actively working on the plan.

3.2 refers to the community self- assessment inventory assisted by the RPP's in each community.

3.3 refers to amendments to the capital improvement plan. The 'CIB Application List' (new name) will not be amended. The Board already has provisions for Special Consideration.

3.4 refers to the planning match. It was determined that the majority of the Board members were in favor of keeping the match. That is the recommendation. Contact Keith Heaton with comments or suggestions.

Chairman Hardy noted that the Board will be voting on the match and other items.

Mayor Baker referred to smaller grants requiring less match and larger requests requiring more. How is that set up?

Mr. Heaton noted that the Board can decide this, but staff's opinion is that having some skin in the game is important even for the smallest communities, so it is unlikely there would be 0 match.

Mayor Baker suggested that some communities don't have the funds to match so real planning cannot happen very well and some communities have only part time staff. There should be a cutoff for small communities. A sliding scale was suggested or some criteria to qualify for less match.

Mr. Heaton stated if the Board wanted, a scale could be created for Board approval noting the need of small communities. The CDO has worked to create a self- help program and work closely with those communities in conjunction with regional planners to provide the assistance so these plans are extremely affordable and doable because the value is in the community going through the exercise; not spending large sums of money.

Commissioner Lytle indicated the CDO assisted in Tayler Flat in Daggett County. He still sees the value in having some skin in the game; that they are paying attention when they are approached to do a plan, they have the best value for what is provided. There may be situations where match is not possible, but that would be the exception as opposed to the rule.

Mr. Heaton noted that what is provided to the Board today is not the audit, but the bullet points through discussions with the CDO and RPP's concerning the audit recommendations.

Commissioner Dalton stated if at all possible, an entity needs to have skin in the game which also prevents planning contractors soliciting work for entities that can't afford to do the work anyway. There does need to be a sliding scale and if an entity does not have the funds to do the planning but they have a source of income to pay for the project then that can be considered on an individual basis.

Commissioner Ogden noted the RPP's are funded by CIB to go out and assist the communities with some of the planning as small towns are not able to afford planning. That is available.

Commissioner Lytle acknowledged the availability of the RPP's and the CDO is significant.

Chairman Hardy appreciated the feedback to come forward with a proposal at the next meeting. We can look at a sliding scale option but we still want skin in the game. We need to decide what that threshold is. They will put some thought to it and bring proposals to the Board at the next meeting.

Commissioner Ogden commended the funding tool which appears to be very well put together. There are a few things to work through but kudos to all for working on that tool to assist the Board in being more consistent. The applicants should be made aware of the proposed funding as it appears there is still some manipulation of the Board in regard to funding.

Mayor Baker also commended the staff for the tool and noted it will be a benefit. The applicants will take a harder look before they come to the Board. Thank you.

Note:

OPMA requires an item to be voted upon to be listed on an agenda, but does not require a vote to omit a discussion and an agenda item may be discussed out of the order if needed

ADJOURNMENT

The next Permanent Community Impact Board Funding Meeting will be held on August 6, 2020 via Zoom Webinar and will begin at 8:30 a.m.

The meeting adjourned at 12:45 p.m.

Submitted by:
Pamela Sjostrom
Candace Powers