

## PERMANENT COMMUNITY IMPACT FUND BOARD MEETING

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

**MINUTES** - Draft  
Thursday, September 5, 2019

### **Members**

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

### **Excused**

Gregg Galecki	State Board of Water Quality
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### **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
Cristine Rhead	Housing and Community Development
Pamela Sjostrom	Housing and Community Development
Alison Garner	Attorney General's Office
Christina Davis	Department of Workforce Services
Jeff Stock	Cannonville Town
Michelle Mefret	Grand County EMS SSD
Will Wright	Uintah Basin Association of Governments
Ryan Savage	Savage Albrecht Engineering
Charles Hightower	Cedar Mountain Fire Protection District
Diane Adams	Cedar Mountain Fire Protection District
Adam Scott	Cedar Mountain Fire Protection District
Kendrick Thomas	Jones & DeMille Engineering
Jamison Christensen	Jones & DeMille Engineering
Elizabeth Tubbs	Grand County EMS SSD
Lane Farr	Office of Legislative Auditor General
Anndrea Parrish	Office of Legislative Auditor General
Jaylyn Hawks	Grand County
Doug Robinson	Torrey Town
Travis Kyhl	Six County Association of Governments
Justin Atkinson	Sunrise Engineering
Rexford Carpenter	Sunrise Engineering

Joe Phillips	Sunrise Engineering
Gawain Snow	Uintah Water Conservancy District
Addie Snow	Uintah Water Conservancy District
Kelly Chappell	Ensign Engineering
Clyde Watkins	Duchesne Co. Water Conservancy
Jeff McCarty	Sunrise Engineering
Alex Buxton	Zions Bank Public Finance
Zach Leavitt	Six County Association of Governments
Scott McComb	Bear River Association of Governments
Margaret Lautaimi	Department of Workforce Services
Debi Carty	Department of Workforce Services
McKay Jacks	Grand County EMS
Jordan Katcher	Housing and Community Development
Zac Covington	Bear River Association of Governments
Lisa Nelson	Division of Drinking Water
Aaron Wade	Gilmore & Bell
Skye Sieber	Housing and Community Development
Skyler Davies	Division of Water Quality
Gerard Yates	Central Utah Water Conservancy District
David Pitcher	Central Utah Water Conservancy District
Shawn Lambert	Central Utah Water Conservancy District
Cort Lambson	Central Utah Water Conservancy District
Benn Buys	Office of Legislative Auditor General
Jeanette Johnson	Blaisdell, Church & Johnson
Mark Anderson	Zions Bank Public Finance
Tom Sorensen	Centerfield City
Jonah Christensen	Centerfield City
Michael Bryant	Southeastern Utah Association of Local Governments
David Robertson	Lewis Young Robertson & Burningham
Raleen Gines	Neola Water & Sewer Improvement District
Brian Gines	Neola Water & Sewer Improvement District
Zan Murray	JUB Engineers
Josh Runhaar	Cache County
Eric Johnson	Blaisdell, Church & Johnson
Kelly Crane	Ensign Engineering

**WELCOME**

The Permanent Community Impact Board (CIB) meeting was held on Thursday, September 5, 2019 at the DWS Admin South Building, 1385 South State Street, Room 157, Salt Lake City, Utah and was called to order at 8:30 a.m. by Chairman Jonathan Hardy.

**I. ADMINISTRATIVE ITEMS**

**Briefing**

**1. Up-coming Meeting Dates and Locations**

The next meeting is October 3, 2019 at the DWS Office, 1385 South State Street, Salt Lake City, Utah.

**2. Financial Review:**

Candace Powers reviewed the status of the funds for today's meeting.

### 3. Review of Agenda items

There are nine new projects.

## II. INTRODUCTIONS

Chairman Hardy requested that Board members and staff give introductions.

## III. APPROVAL OF MINUTES

Chairman Hardy requested a motion to approve the minutes from the August 8, 2019 meeting

**Tooter Ogden made and Naghi Zeenati seconded a motion to approve the minutes from the August 8, 2019 CIB meeting. The motion carried unanimously.**

## IV. NEW PROJECTS

### 1. Neola Water and Sewer Improvement District (Duchesne County)

Neola Water and Sewer Improvement District presented a funding assistance request for a \$167,000 grant for spring redevelopment. This project will consist of constructing a new spring collection line, deeper than the existing line. It will also include all structures, fittings, linings, clay cut-off walls, pumps, and surface seals related to this new construction. Additionally, new chlorination treatment equipment and equipment shed, meter vault, SCADA equipment, and other improvements needed to accommodate these alterations in the collection, treatment, and distribution system. *USDA grant, \$410,000.*

The applicant stated they have increased their fee rates from \$32.75 to \$62.75 to accommodate large projects. The gravity fed spring has decreased output from 190 gal/minute to 25 gal/minute, possibly due to drought conditions. The spring needs to be redeveloped.

The Board expressed concern that 26% of the cost of this project was for engineering.

The applicant indicated that the preliminary and environmental reports were required for the Federal funding source.

The Board requested information regarding an emergency water source.

The applicant's emergency water source is through Roosevelt City to pump from their wells in Hayden, Utah up to the Neola spring.

The Board asked if this project will provide enough water to eliminate the need for the emergency source if drought conditions continue.

The applicant indicated through testing, they determined that just south of their spring collection line there was increased water just 5' deeper. The spring redevelopment would reduce the need for the supplemental source as the cost for supplemental water from Roosevelt is more expensive. They have considered drilling a well but due to the rock formation it would be expensive and difficult. The spring water is used for culinary purposes, and any overflow goes into an irrigation ditch.

**Jack Lytle made and Kyle Stephens seconded a motion to place this project on the Priority List for funding consideration at the October 3, 2019 funding meeting as a**

**\$167,000 grant. The motion carried with Ron Winterton abstaining. David Damschen was absent from the vote.**

2. Central Utah Water Conservancy District (Duchesne County)

Central Utah Water Conservancy District presented a funding assistance request for a \$3,500,000 loan for 30 years at 0% for the Duchesne Valley Water Treatment Plant project. This project will include a new 132'x65' flocculation/sedimentation building with Lamella Settling Plates downstream, a 132'x45' chemical storage building, a settled water pump station, replacement of Ozone static mixers; rehabilitation of 2 (approximately 23,000 SF each) existing waste washwater lagoons and installation of concrete liners in lagoons; construction of 2 (23,000 SF each) new unlined water washwater lagoons; a 23'x25' new waste washwater pump station and replacement of one 300hp intake pump with a 400hp pump. The applicant is contributing \$1,500,000 cash; FEMA, \$4,000,000; Division of Drinking Water, \$14,000,000; project total \$23,000,000.

The applicant indicated that a project to control algae growth had already been underway then the Dollar Ridge Fire occurred. The fire created soil erosion and the rain caused the water source to become unhealthy. The treatment plant has historically been sufficient, but the natural sedimentation process no longer works and so they need to build a replacement sedimentation process to treat the impacts of the fire. The natural occurring organics have doubled and the water has a bad taste. The infrastructure cost for replacement continues to increase.

The Board asked about the FEMA grant of \$4,000,000.

The applicant confirmed that a grant request has been placed with the DDW State Revolving Fund for \$18,000,000. If the FEMA request is granted, the DDW request would reduce to \$14,000,000. The interest rate for the DDW Revolving Fund is 1.25%.

The Board asked about the repayment of these loans, and if the citizens are aware. The public hearing minutes do not reflect that information.

The Board expressed concern about the public hearing minutes. Public hearings should thoroughly discuss the project and possible funding and reflect that discussion in the public meeting minutes. It is important that the public knows and understands the funding options being requested as well as funding options that might be offered by the Board.

The applicant stated they have monthly coordination meetings and have discussed the funding options. Central Utah Water is a wholesaler and does not control what is charged to residences or businesses. Posters were used to display the funding options to their community customers and the citizens using the water.

The Board asked if there is a tax levy that acts as revenue to the Conservancy District.

The applicant indicated they do receive funding from a property tax levy of .0004 rate (state regulated) as revenue which is used to repay outstanding debt.

The Board referred to the \$3.5 million dollar CIB loan request and asked why it was not included in the Division of Drinking Water application. Was it the interest rate or is it for a specific component of the project?

The applicant indicated they have taken the project as a whole and divided the funding to various entities. The \$3,500,000 represents the portion that will be paid back by the local entities.

The Board suggested a 1.25% rate on the CIB funding as with the DDW funding.

The applicant stated the project has to be done and they will accommodate what the Board offers but will pass that debt to the local entities.

The Board requested clarification concerning the UBAOG review memo which states “The UBAOG Board unanimously approved this request, and encouraged efforts to obtain other funding for this project”.

Will Wright, Uintah Basin AOG indicated that the UBAOG Board understood that Central Utah Water was already accommodating funding from other entities and encouraged the Conservancy to follow through with other grant and loan options. Emphasis on the grant funding was for the purpose of relieving the repayment burden on the citizens.

**Ron Winterton made and David Damschen seconded a motion to place this project on the Priority List for funding consideration at the October 3, 2019 funding meeting as a \$3,500,000 loan for 30 years at 0% interest. The motion carried unanimously.**

### 3. Grand County Municipal Building Authority (Grand County)

Grand County MBA presented a funding assistance request for a \$2,365,000 grant and a \$2,365,000 loan for 30 years at 2.5% (total \$4,730,000) for an emergency medical services facility. This project will consist of building an ADA compliant 12,000 SF facility with 3 ambulance bays to accommodate 2 ambulances per bay, 2 conference rooms, 5 administrative offices, training space, kitchen, 2 day rooms, 4 secure storage rooms, laundry room, workout room, 7 bedrooms, men’s and women’s locker rooms, restrooms and decontamination area with an emergency generator and backup power. The applicant is contributing \$100,000 cash.

The applicant stated they have been planning this facility for approximately 10 years. The EMS facilities are inadequate.

Board requested clarification of the City’s participation.

The applicant indicated that Moab City is part of the response area which is the entire County. The entity does have an MOU with San Juan County EMS. Emery County (Green River) uses this entity as a back-up. Living quarters are included to expedite response as the majority of the staff are volunteers along with some paid EMS staff. Due to the distance covered it becomes necessary for the EMTs to “live” at the facility for the time period of their shift.

The Board requested clarification if there was a mutual aid agreement between Moab City and Grand County?

The applicant replied that they are a special service district, which includes the whole county but there is not a mutual aid agreement.

The Board acknowledged the impact of visitors and tourism, commended the 10% cost of engineering and noted the need for the EMS building.

**Bruce Adams made and Naghi Zeenati seconded a motion to approve this project as a \$2,365,000 grant and a \$2,365,000 30-year loan at 2.5% interest (total \$4,730,000).**

The Board suggested a \$3,638,000 loan for 30 years at 0% interest with a \$1,212,000 grant funding to keep the mineral lease fund revolving.

The applicant indicated they would be able to make the loan payments.

**Mike Dalton made and Dean Baker seconded a substitute motion to approve a \$3,548,000 loan for 30 years at 0% interest and a \$1,182,000 grant (total \$4,730,000). (Amounts amended to reflect the intended funding.)**

The Board asked the applicant if they will be able to afford to furnish this project.

The applicant indicated that they are expecting to accommodate furnishings with other funding.

The Board suggested that the legislature could assist with allocations to offset the expense of tourism and acknowledged the worth of this project.

The applicant indicated that the County owns the existing buildings which will be demolished once abandoned. There are no assets owned by the SSD.

Chairman called the question on the substitute motion.

**Mike Dalton made and Dean Baker seconded a substitute motion to place on the Priority List for funding consideration at the October 3, 2019 funding meeting as a \$3,548,000 loan for 30 years at 0% interest and a \$1,182,000 grant (total \$4,730,000). The motion carried unanimously.**

4. Centerfield City (Sanpete County)

Centerfield City presented a funding assistance request for an \$82,000 grant for the Sorenson Spring Line replacement project. This project consists of replacing approximately 3,060 LF cast iron pipe with 12" C-900 pipe from the Centerfield RO Treatment Plant to the west side of Christianburg Road.

The applicant indicated there are significant leaks in the older clay pipe which they have been trying to repair. Now line replacement has been determined necessary. They have a bid for \$81,233. They have increased water rates and hesitate to implement additional increases.

The Board referred to the low MAGI of 0.86% per the DDW review. The current benchmark MAGI is 1.75%. The water rates could be increased approximately \$.50 to accommodate increased revenue for water system maintenance.

The applicant stated they had increased the rates 6 months prior and are generating about \$4,000 surplus year. They do not want to raise rates so soon again. There is also considerable growth in Centerfield.

The Board referred to the original DDW funding memorandum for a \$41,000 grant and \$41,000 match.

The applicant replied the original intention was to ask for a \$41,000 grant, but decided that they would be foolish not to ask for a 100% grant but are willing to take what the Board may offer.

The Board referred to the extreme cost discrepancy of \$320,000 engineering firm estimate versus the \$81,333 current bid.

The applicant indicated that is why they will not utilize an engineering firm, but will do it themselves. They acknowledged the help received from Zach Leavitt and Travis Kyhl and have confidence in the bid received from Mike Madsen due to his reputation.

The Board expressed concern about a project that has not been engineered and asked who would liable for a potential failure.

The applicant indicated that the contractor is fully licensed and Centerfield City is confident in his guarantee of liability. In regard to funding this project, they could fund this project in full but would have to raise water rates. Centerfield City has a cushion of \$2,000-\$4,000 per year in water revenues with 10% going into the capital replacement.

**Dean Baker made and Naghi Zeenati seconded a motion to place this project on the Priority List for funding consideration at the October 3, 2019 funding meeting as an \$82,000 grant.**

The Chairman inquired about the procurement process for this project.

The applicant indicated it was posted in the newspaper and they received 3 bids before accepting the current bid.

The Chairman called the question.

**Dean Baker made and Naghi Zeenati seconded a motion to place this project on the Priority List for funding consideration at the October 3, 2019 funding meeting as an \$82,000 grant. The motion carried unanimously.**

*Commissioner Tooter Ogden left the meeting.*

##### 5. Centerfield City (Sanpete County)

Centerfield City presented a funding assistance request for a \$350,000 grant, \$150,000 loan for 30 years at 2.5% (total \$500,000) for a new city hall. This project consists of demolishing and rebuilding a 35'X65' 2275 square foot building with a council chamber, break room, men's and women's restrooms, a conference room, reception storage and 2 offices.

In their minutes it referred to Ron Anderson doing the drawings. The applicant indicated Mr. Anderson is an architectural assistant and works with Keith Bennett from Layton.

The applicant indicated the existing building was constructed in 1912 and has served well. The furnace needs to be replaced for a cost of \$5000. The floor joists sit on sandstone and there are numerous cracks in the building. The building does not meet fire code. The new

building will have the same footprint; same layout as the existing building. They hope to build this new building for around \$400,000. If the cost is over \$500,000, the building will not be built. Though there is not an engineer per se on this project, it will be inspected by a licensed inspector.

Chairman Hardy requested if procurement of bids has taken place.

The applicant indicated they put out a bid request and accepted 3 bids of \$150 - \$175 per square foot. With the design and footprint of the building staying the same, they have no interest in making any extreme upgrades to the new building. They are firm in not paying more than \$200/sq. ft. to avoid any burden to their tax base.

The Board inquired if there is a SHPO issue of compliance that will need to be met.

The applicant indicated they have been contacted by SHPO and verified that the old city hall had not been placed upon the National Historic Registry, but they may need to document the building for SHPO.

The Board requested more information regarding the public hearing that was presented to the public regarding this funding request.

The applicant stated that in the city council meeting a presentation of funding was discussed and through public discussion, determined to request a 50/50 grant/loan split.

The Board referred to the previous \$82,000 grant for the water project and suggested a \$350,000 loan and a \$150,000 grant.

The applicant indicated that would place too much debt on the City.

The Board suggested a \$250,000 grant and \$250,000 loan.

The applicant indicated that would be doable and if the price changes, they would reduce the amount prior to closing the loan.

**Naghi Zeenati made and Mike Dalton seconded a motion to place this project on the Priority List for funding consideration at the October 3, 2019 funding meeting as a \$250,000 grant and \$250,000 loan for 30 years at 2.5% interest (total \$500,000).**

The applicant requested a 0% interest rate.

**Bruce Adams made and Kyle Stephens seconded a substitute motion to place this project on the Priority List for funding consideration at the October 3, 2019 funding meeting as a \$250,000 grant and \$250,000 loan for 30 years at 0% interest (total \$500,000). The motion failed with Bruce Adams and Kyle Stephens in favor and David Damschen, Naghi Zeenati, Jack Lytle, Dean Baker, Ron Winterton and Mike Dalton opposed.**

Chairman Hardy called the question on the original motion.

**Naghi Zeenati made and Mike Dalton seconded a motion to place this project on the Priority List for funding consideration at the October 3, 2019 funding meeting as a \$250,000 grant and \$250,000 loan for 30 years at 2.5% interest (total \$500,000). The motion carried with Bruce Adams opposed.**

6. Town of Cannonville (Garfield County) 1:55

The Town of Cannonville presented a funding assistance request for a \$347,500 grant and a \$232,000 loan for 20 years at 2.5% (total \$579,500) for town hall / medical center improvements. This project consists of building an addition (2,600 SF) to the existing town hall/medical center to add space for a town hall meeting room (19.33'x50') and three additional exam rooms, a doctor's office, a procedure room, lab, restroom, computer room and medical storage (32.67'x50') to the existing medical center. Garfield County will contribute \$100,000 cash.

The applicant indicated the larger part of the building is a satellite clinic of Intermountain Health Care Hospital in Panguitch; Garfield Memorial. The building is owned by the Town of Cannonville and IHC leases the space. The current clinic is too small and has only two exam rooms. Cannonville has been requested to expand the building or they may close the clinic which is the primary clinic for Tropic, Cannonville and Henrieville. The City Hall portion is 40% of the project.

The Board asked if the IHC rental payment would increase based on the square footage.

The applicant indicated the rent would increase for the bigger space. The current rent is fairly low, but with the expansion there will be a negotiation process as it was their request to expand the clinic.

The Board requested verification that the clinic was not a privately held business as mineral lease funds should be allocated for public infrastructure.

The applicant indicated that the clinic will be managed by IHC and it is understood that Cannonville will be the sole owner of the building.

The Board asked if the County is using the rural hospital tax.

The applicant stated the IHC Clinic charges a 1% *sales tax* on its services and yes, the fund is the rural hospital tax.

**Jack Lytle made and Bruce Adams seconded a motion to place this project on the Priority List for funding consideration at the October 3, 2019 funding meeting as a \$232,000 loan for 20 years at 2.5% interest and a \$347,500 grant (total \$579,500). The motion carried unanimously.**

7. Cedar Mountain Fire Protection District (Kane County)

Cedar Mountain Fire Protection District presented a funding assistance request for a \$443,500 grant and a \$497,000 loan 30 years at 1.5% (total \$940,500) for the new Swains Creek Fire Station. This project will consist of building a 93'6" x 61'9" building (4,941 SF) with 2 apparatus bays, work-out room, EMS storage, turn-out storage, day room, kitchen, office, restroom, men's and women's showers, 2 bunk rooms and a training room. Funds from CIB are being requested

for the building and parking lot expenses, all other costs will be covered by the District. The applicant is contributing \$180,700 cash.

The applicant stated the station is in the Swains Creek Pines subdivision and the existing station is in Duck Creek Village. It was intended to modify the existing station, and construct the new station in Swains Creek Pines. This funding is for the Swains Creek Pines. The property for the new station has been deeded to Cedar Mountain Fire District and properly zoned. There is a fee for the fire service and emergency service of \$16.70 per month charged per taxable lot which funds the 24/7 fire response of 6 paid fire fighters and several volunteers; trained and recertified yearly plus equipment. This building will be a 5000 square foot drive through building with living quarters at a cost of \$150 per square foot.

The Board questioned the amount of grant being requested for this project in Kane County, referring to the mineral lease revenue for the County and asked if this community is primary or secondary homes.

The applicant replied there are both primary and secondary homes but most are second homes and all expect fire protection, emergency medical services and snow removal services.

The Board referred to the flat line in regard to tax revenue and growth for the next 10 years asking if they were not expecting further growth.

The applicant indicated they are taking a conservative position as land owners are con-joining the parcels from two lots into one parcel and thus reducing the taxes. These joined lots become unflagged lots and cannot be taxed.

The Board referred to the now combined parcels and asked if they amend the subdivision and do away with that lot or just add two lots to one tax notice.

The applicant indicated there is a fee when lots are conjoined and the subdivision maps and zoning are amended (taking two parcels/lots and making it one). The tax revenue is then only received as one lot. If the property is again subdivided, the engineering fee of \$200 is assessed. They do anticipate future growth. There is a new subdivision (with 86 lots) that is currently being planned.

The applicants financial advisor indicated there is a per lot assessment that is not tied to tax value, whether there is a structure on it or not. They are considered an enterprise fund based on the way they impose their fees.

The Board acknowledged that fire stations provide for public safety and Kane County is expanding mineral production which will have future revenues but suggested the standard interest rate of 2.5% rather than a 1.5% requested.

The applicant stated that interest rates are tied to the 30 year treasury note and recently it was 1.91% with potential of further decline. Most financial advisors believe interest rates will go down. The 1.5% request seems reasonable and at the public hearing, the public voted for the 1.5% interest rate.

The Board acknowledged that a vote was taken, which indicated a preference for the lower interest rate and that treasury interest rates are speculative, but indicated the CIB current standard interest rate is 2.5%.

**Naghi Zeenati made a motion to approve a \$497,000 loan for 30 years at 2.5% interest, and \$443,500 grant. There was no second.**

David Damschen commended the applicant on a good presentation, but indicated the reference to the Fed fund rate was irrelevant with no basis for predicting future reductions in the Fed fund rate. Though current rates are relevant, the Board should not be projecting future rate activity as part of their decision process.

The Board suggested a 25/75 grant loan structure for this project.

**Dean Baker made and Ron Winterton seconded a motion to place this project on the Priority List for funding consideration at the October 3, 2019 funding meeting as a \$234,500 grant and \$706,000 loan for 30 years at 2.5% (total \$940,500). The motion carried unanimously.**

*Senator Ron Winterton left the meeting.*

#### 8. Town of Torrey (Wayne County)

The Town of Torrey presented a funding assistance request for a \$300,000 grant for a walking path project. This project will consist of adding walkways on both sides of Main Street with 905 LF of 6" sidewalk (installed in front of existing businesses), 430 LF boardwalk (installed over wetland area), 7,280 LF decomposed granite, 1,000 LF fence, 3 kiosks, additional grading and signage. The applicant is contributing \$4,000 cash.

The applicant stated that Wayne County has placed a walkway up to the edge of Town, and then ends. Citizens and visitors must then walk in the road. They wish to continue the walkway into Torrey.

The Board indicated the revenue from Wayne County is minimal and this is a large grant. The Board asked if the path would be lighted.

The applicant replied that Torrey does have street lighting directed downward for safety and security, but you can still see the sky.

The Board asked if this is property improvement versus a public benefit and what is the status of other funding including the UDOT funding.

The applicant indicated that the funds have been pledged but not delivered to the city and UDOT Region 4 and Active Trails funds have not been committed but applications have been submitted.

The Board suggested this is property enhancement but with a safety issue involving access to businesses. Grants from UDOT are the way most communities do sidewalk improvements. It is difficult for CIB to provide grants for sidewalks.

That Board asked if Torrey could take this funding request as a loan instead of a grant.

The applicant indicated that they have raised water rates recently from \$28.00 to \$32.00 and are reluctant to increase rates again or take on more debt. Many businesses are out of the Town limits so they don't collect tax.

The Board inquired as to the population of the Town and what taxes are levied.

The applicant indicated they have 400 water meters on the water system and they do receive property tax.

The Board expressed concern with allocating grant funds without verification of UDOT funds.

**Mike Dalton made and Bruce Adams seconded a motion to place this project on the Pending List until status of UDOT funds can be established. The motion carried unanimously.**

#### 9. Cache County (Cache County)

Cache County presented a funding assistance request for a \$12,500,000 loan for 20 years at 2.5% interest for the new road and weed department. This project will consist of an expanded Cache County Road and Weed Department facility in Hyrum, Utah to include a 10,200 GSF administrative building with offices, crew rooms, conference space, gear/locker area, restrooms and support spaces; a 8400 GSF pre-engineered metal shop building with four 20'x105' bays and eight 16'x16' overhead doors; a 10,080 GSF pre-engineered metal weed building with three 28'x120' bays, six 24'x16' overhead doors and heating; a 32,340 GSF pre-engineered metal roads building with ten 28'x105' bays, a 28'x105' fire facility bay, twenty-two 24'x16' overhead doors and heating; a 5,525 GSF concrete block truck wash facility with prefabricated panel roof, two 25'x85' bays and 16'x16' overhead doors, brine production and tanks; a fuel island with 4 diesel pumps and 2 unleaded pumps, DEF storage at each diesel pump. The project also includes a satellite facility in the northern portion of the County to include 2 -3 bays for vehicle & equipment storage and brine storage. *(The salt storage building, equipment costs, engineering, soft costs to include permits, licenses, utility connections, fees and construction contingency will be the responsibility of Cache County.)* The applicant is contributing \$39,400 cash.

**Bruce Adams made and Mike Dalton seconded a motion to approve a \$12,500,000 loan for 20 years at 2.5% interest rate.**

The Board commended the 23 page minutes but only a short paragraph concerning this project.

The applicant indicated the meeting was long and this project had been discussed over 4 years, there was no one from the public, limited discussion of the project at this meeting and they moved forward with it.

The Board indicated that the minutes are the permanent record.

Mr. Damschen asked Alex Buxton, the applicants financial advisor, where the 20 year MMD is.

Mr. Buxton indicated the MMD to be around 2.5 to 3.0% depending on the credit rating of the issuer. Cache County has no bonds and does not have a credit rating.

Chairman Hardy called the question for discussion.

**Bruce Adams made and Mike Dalton seconded a motion to place this project on the Priority List for final funding at the October 3, 2019 funding meeting as a \$12,500,000 loan for 20 years at 2.5% interest. The motion carried unanimously.**

Keith Heaton indicated that the Board would be receiving a survey concerning funding priorities.

Commissioner Dalton suggested a requirement for better public hearings and minutes with an approval of the governing body for the project.

Alison Garner, legal counsel to the Board cited Rule 990-8-3 (e) under Application Requirements:

*...The Board requires all applicants to have a vigorous public participation effort. All applicants shall hold at least one formal public hearing to solicit comment concerning the size, scope and nature of any funding request prior to its submission to the Board. In that the public hearing, the public shall be advised the financing may be in the form of a loan, even if the application requests a grant...*

The Board may require additional public hearings if the Board determines the applicant didn't adequately disclose to the public the impact of what it had applied for, and if the Board approves something substantially different than what was applied for, the Board may also require an additional public hearing. Ms. Garner indicated this month's applicants, on the majority had poor public hearing minutes.

The Board indicated that the rule does not require approval of the application in the public hearing.

Ms. Garner stated that the CIB does not require a public body vote to approve the funding request and it is not common to require that type of vote. However, if there is a significant opposition during the public hearing discussion, the Board should review as part of Board funding discussion. Even if there is no public present during the applicant's public hearing, the process of disclosure is still required by the Open Public Meetings Act and funding intent needs to be discussed amongst those present.

Mr. Damschen stressed transparency. The public needs to know the cost and who will be responsible for that cost. The CIB should make certain the applicants are answering those questions in their public hearings.

### **ADJOURNMENT**

The next meeting of the Permanent Community Impact Board will be October 3, 2019 at the DWS Admin South Building, 1385 South State Street, Salt Lake City, Utah at 8:30 a.m.

This meeting adjourned at 11:52 a.m.

Submitted by:  
Candace Powers  
Pam Sjostrom  
Cristine Rhead