

PERMANENT COMMUNITY IMPACT FUND BOARD MEETING

Department of Workforce Services
Housing and Community Development Division
Salt Lake City Utah
MINUTES - DRAFT
August 3, 2023

Members Present

Curtis Wells	Chairman
Kirt Slaugh	State Treasurer's Office
Naghi Zeenati	State Transportation Commission
Dean Baker	Uintah County
Jerry Taylor	Five County Association of Governments
Bruce Adams	Southeastern Utah Association of Local Governments
Scott Bartholomew	Six County Association of Governments
Jack Lytle	Uintah Basin Association of Governments
Greg Miles	Duchesne County
Ralph Brown	Sevier County

Members Excused

Laura Hanson	Governor's Office of Planning and Budget
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Staff and Visitors

Candace Powers	Housing and Community Development
Brenda Brown	Housing and Community Development
Jennifer Edwards	Housing and Community Development
Christopher Pieper	Attorney General's Office
Brittany Hardy	Department of Workforce Services
Kaylee Beck	Department of Workforce Services
Christina Oliver	Housing and Community Development
Kevin Yack	Uintah Basin Association of Governments
Bret Reynolds	Civco Engineering
Justin Atkinson	Sunrise Engineering
Tamara Dockstader	Southeastern Utah Association of Local Governments
Dennis Blackburn	Wayne County
Adus Dorsey	Wayne County
Stacey Herpel	Housing and Community Development
Sherrie Holgate	Upper Community Recreation District
Annissa K. Maxfield	Upper Community Recreation District
Johny Thayne	Upper Community Recreation District
Melani Torgerson	Escalante City
Stephanie Steed	Escalante City
Bryan Meadows	Green River City
Tyler Hunt	Green River City
Skyler Davies	Division of Water Quality
Brian Barton	Jones & DeMille Engineering
Kendrick Thomas	Jones & DeMille Engineering
Jonathan Johansen	Johansen & Tuttle Engineering
Shilo Hatch	Fruitland Special Service District
Bonner Hardegree	Fruitland Special Service District
Bart Jensen	Fruitland Special Service District
Nick Carter	Sunrise Engineering
Nancy Strickland	SITLA
Bonnie McCallister	SITLA
Scott Bartlett	SITLA
Bart Jensen	Jones & DeMille Engineering

Jade Powell
Geri Gamber
Keith Heaton
Robert Barnett
Nate Ziller
Chuck Richins
Rodney Rowley
Carl Mackley
Dan Hawley
Marcus Keller
Rob Dotson
Jackson Ames
Jack Wood
Lynn Sitterud

Southeastern Utah Association of Local Governments
Southeastern Utah Association of Local Governments
Seven County Infrastructure Coalition
Big Water Fire Department
Uintah Basin Association of Governments
Horrocks Engineering
Duchesne City
Bear River Water Conservancy District
Jones & DeMille Engineering
Crews & Associates
Enoch City
Enoch City
Upper Community Recreation District
Emery County

VIRTUAL:

Gary Zabriskie
Tyler Timmins
Big Water Clerk
Eric Major
April Gardner
Zach Leavitt
Heather Poulson
Sarah Nielsen
Brittany Alfau
David
Stephanie
C. Watkins
Debbie
Bill Davis

Five County Association of Governments
Six County Association of Governments
Town of Big Water
Jones & DeMille Engineering
Department of Workforce Services
Housing and Community Development
Housing and Community Development
Department of Workforce Services
Bear River Association of Governments

WELCOME AND INTRODUCTIONS 9:00 am

The Permanent Community Impact Fund Board (CIB) Meeting was held on Thursday, August 3, 2023 and was called to order at 9:00 a.m. by Chairman Curtis Wells.

I. BRIEFING [2:32]

1. Up-coming Meeting Dates & Location – October 5, 2023 – Salt Lake City, UT

2-3. Financial Review [2:42]

DWS Financial Manager Kaylee Beck discussed revenue and expenses. The total available revenue was presented. The additional forecasted revenue computed using 12-month average it was estimated there will be approximately \$6 million. With the revenue divided between the Bonus and Mineral Lease there is a high likelihood that by the October funding meeting there will be sufficient revenue to fund the current applications.

III. APPROVAL OF MINUTES [8:50]

Chairman Wells called for a motion to approve the minutes from the July 6, 2023 CIB Review Meeting.

Naghi Zeenati made and Jerry Taylor seconded a motion to approve the minutes of the July 6, 2023 CIB meeting. The motion carried unanimously.

IV. NEW PROJECTS [9:12]

4.1. Upper Community Recreation District (Duchesne County) [9:35]

Upper Community Recreation District presented a funding assistance request for a \$585,000 loan for 30 years at 0.0% and a \$585,000 grant (total \$1,170,000) for Altamont Rodeo Grounds Renovation. This project consists of Phase 1 to include design and construction of the Altamont Rodeo Arena to include the 250' X 150' rodeo arena with six bull chutes, barrel racing gates, bareback riding chutes, team and steer roping chutes, mutton busting chutes and other arena facilities, a 174' X 90' warm up area, 10' X 10' enclosed announcer

booth, electrical, audio system, arena and spectator lighting, foundation, structural supports, HVAC, new covered bleachers and concrete walkways up to the bleachers.

**Proposed funding tool loan/grant scenario:*

MIN \$714,000 Loan, 30y @ 0.0% | \$456,000 Grant

MED \$831,000 Loan, 30y @ 1.5% | \$339,000 Grant

MAX \$948,000 Loan, 30y @ 2.5% | \$222,000 Grant

The applicant indicated they have the recorded deed to the 10 acres. Bleachers were donated by Duchesne High School which will be utilized until new bleachers are purchased. They have been a district for approximately 10 years. The existing rodeo started around 1905 and has become a community rodeo with donated time. This project's Phase 1 is to improve parking, fencing, access and safety. Other funding options reviewed are for rodeo functions and not infrastructure. The recreation district annual budget is approximately \$100k; \$15k is allocated to the rodeo, \$15k to area parks, \$20k to Longhorn Days and \$10k to youth sports and maintenance. The District disassembled the deteriorating grandstands and bleachers and installed the donated bleachers in time for the rodeo. The proposal is for arena improvements as it was determined that other rodeo facilities were too distant and not available for the many area events.

It was stated that the community is affected by the oil and gas industry both in employment and road impacts and the rodeo facility is part of the community identity

The Board acknowledged this is phase 1 and asked about the subsequent phases and if the applicant had pursued other funding sources.

The applicant indicated phase 2 is for a storage shed and wash rack, phase 3 is restroom facilities, phase 4 is a community gathering center and phase 5 is paving the parking lot. *Phase 3 for restrooms is the next most important phase.* After this first phase, other funding sources will be pursued. There are grants for putting on rodeos and loans for construction; affordability is an issue. \$15k per year is set aside for capital improvement projects which could be used to pay the loan until paid off. They will seek additional sources of revenue to do other phases.

Commissioner Lytle asked about what they allocate for the rodeo and if they produce the rodeo.

The applicant noted they allocate \$15k of the annual budget for the rodeo which covers electrical, water, stock charges etc. They produce the rodeo in conjunction with the roping club which sold the District the land. The cost to the roping club is approximately \$7k to put on the rodeo. The seating currently accommodates 500 but attendance can be 1500 standing. This summer they removed the old bleachers and installed the donated bleachers utilizing donated equipment and volunteers.

Mr. Zeenati referenced the reduced CIB revenue and the cost of the bleachers was a concern. He suggested a revised request for what is an immediate need.

The Chairman called for a motion.

Commissioner Lytle suggested the project be funded as the funding tool minimum recommends; a \$714,000 loan for 30 years @ 0.0% and a \$456,000 grant.

Mr. Slauch indicated that DEQ, ARPA, CARES ACT and other sources of revenue for needed water and sewer infrastructure has all been depleted and CIB funding will be needed for needed infrastructure. There is a need for places to recreate; but water is a requirement. Duchesne County generates mineral revenue but perhaps a critical infrastructure project could be submitted for funding and Duchesne County could support the rodeo.

The Chairman requested a second on the motion by Jack Lytle wherein Dean Baker offered a second with a 0.5% interest rate on the loan.

Jack Lytle made and Dean Baker seconded a motion to place this project on the Priority List for funding at the October 5, 2023 funding meeting as a \$714,000 loan for 30 years at 0.5% and a \$456,000 grant (total \$1,170,000).

Commissioner Miles stated Duchesne County is 11.5 years behind in pavement preservation and there is no revenue. The County is not an option for rodeo grounds revenue at this time stating this project is a protection of the western way of life and expressed appreciation for the rodeo board.

Commissioner Brown indicated the efforts for the rodeo in Sevier County included utilizing county Covid funds. They purchased used sound equipment from the State Fair Park when they moved and purchased new free-standing aluminum bleachers. He expressed his support for the project.

Commissioner Lytle suggested it is a mental health facility of a form. He recommended they value engineer the project to stretch the funding to other phases noting revenue from the facility will greatly help.

The applicant said the numbers provided in the application an estimate; the community will help and they will stretch the funds and do value engineering and they would seek to get through Phase 3.

Commissioner Bartholomew noted Sanpete acquired their bleachers from a race track and covered bleachers are a luxury.

Jack Lytle made and Dean Baker seconded a motion to place this project on the Priority List for funding at the October 5, 2023 funding meeting as a \$714,000 loan for 30 years at 0.5% and a \$456,000 grant (total \$1,170,000). The motion carried with Kirt Slauch opposed and the chairman abstaining.

4.2 Fruitland Special Service District (Duchesne County) [56:30]

Fruitland Special Service District presented a funding assistance request for a \$244,000 loan for 15 years at 0.5% and a \$244,000 grant (total \$488,000) for Mill Hollow Spring Redevelopment & Metering. This project consists of redeveloping the Mill Hollow Lower Spring to include clearing, grubbing and excavation, installing 4 each ultrasonic level sensors, one 6-inch meter, one 8-inch meter, 4 ultrasonic level sensors for the system tanks, 2 meter manholes, 160 square yards of filter fabric, 480 square yards of HDPE liner, 85 linear feet of perforated collection pipe, 85 linear feet of C900 PVC pipe, new spring collection box, necessary soil and rock, 60 cubic yards of clay cutoff wall and 300 linear feet of chain link fencing, engineering, permitting and bonding.

**Proposed funding tool loan/grant scenario:*

MIN \$132,000 Loan, 30y @ 0.5% | \$356,000 Grant
MED \$181,000 Loan, 30y @ 2.0% | \$307,000 Grant
MAX \$230,000 Loan, 30y @ 3.0% | \$258,000 Grant

The applicant said the district has been operating for 30 years and they rely on springs to feed the water system and one well. They have 560 metered customers in the unincorporated community. The redevelopment of the upper Mill Hollow springs is underway and this request is for the lower Mill Hollow Spring and metering that is required. The area is primarily a recreational community and half of the customers are full time residents but all pay a monthly fee. This project is to meter the output from the springs and meter the flow going into and out of the storage facilities; the cost of that component is \$109,000. The spring redevelopment will include excavating around the spring to clear debris, verifying the water collection and checking for contamination and fencing around the springs. They have water rights to distribute 100 million gallons of water per year, but only distribute 33 million. The request is for a 50% grant and 50% loan.

Commissioner Adams acknowledged the value of the project and suggested the median funding range.

Bruce Adams made and Jerry Taylor seconded a motion to place this project on the Priority List for funding at the October 5, 2023 funding meeting as a \$181,000 loan for 30 years @ 2.0% and a \$307,000 grant (total \$488,000).

Mr. Zeenati noted the public hearing minutes did not discuss the funding impact of the project and recommended letting the public know in the public hearing.

Commissioner Bartholomew noted the cost for permitting and asked what permitting was needed.

The applicant indicated the permits are associated with environmental surveys and possible permitting for the Division of Drinking Water.

The Chairman called the question.

Bruce Adams made and Jerry Taylor seconded a motion to place this project on the Priority List for funding at the October 5, 2023 funding meeting as a \$181,000 loan for 30 years @ 2.0% and a \$307,000 grant (total \$488,000). The motion carried with the chairman abstaining.

4.3. Duchesne City (Duchesne County) [1:06:00]

Duchesne City presented a funding assistance request for a \$675,000 loan for 30 years at 0.0% and a \$2,025,000 grant (total \$2,700,000) for the 2023 water and sewer infrastructure replacement and system metering. This project consists of improvements to the aging system to include replacing approximately 13,000 linear feet of 8-inch sewer pipe and 5,400 linear feet of 8-inch water pipe, a PRV (pressure reducing valve) station in the Blue Bench area, road repair, engineering, construction management and bonding.

**Proposed funding tool loan/grant scenario:*

MIN \$675,000 Loan, 30y @ 0.0% | \$2,025,000 Grant

MED \$905,000 Loan, 30y @ 1.0% | \$1,795,000 Grant

MAX \$1,134,000 Loan, 30y @ 1.5% | \$1,566,000 Grant

The applicant indicated this is to upgrade aging infrastructure and is focused on the bench area which was constructed in 1984.

Mr. Zeenati asked what the revenue source would be for this loan and asked if they had pursued other funding.

The applicant stated the loan repayments would come from water and sewer fees. The Division of Water Quality required the district increase the sewer rates in 2016. They have not pursued other funding sources at this time stating DEQ has indicated their funding is limited.

It was noted that if the water and the sewer revenue are separate and there would be two separate bonds in regard to the revenue source if funded.

The applicant stated this project is primarily sewer. They have not applied to DEQ as that funding would be as a loan.

Commissioner Bartholomew asked if the project needs to be separated into two projects.

It was noted that the Board can determine how they would fund the project prior to the funding meeting to determine the revenue sources and if there would be two separate bonds. The motion could include the determination of revenue sources.

Commissioner Lytle asked if the system was sustained by the current revenue and if funding comes from the general fund to support the system.

The applicant stated the system revenue is sufficient to pay the operation and maintenance and existing loan payments.

The Division of Drinking Water and the Division of Water Quality have reviewed the water and sewer separately.

Bruce Adams made and Naghi Zeenati seconded a motion to place this project on the Priority List for funding at the October 5, 2023 funding meeting as a \$675,000 loan for 30 years @ 2.0% and a \$225,000 Grant (total \$2,700,000).

Mr. Slauch noted the interest rate was above the median funding recommendation and Commissioner Adams amended his motion.

Bruce Adams made and Kirt Slauch seconded a substitute motion to place this project on the Priority List for funding at the October 5, 2023 funding meeting as a \$905,000 loan for 30 years at 1.0% and a

\$1,795,000 grant (total \$2,700,000). The motion carried with Jack Lytle opposed and the chairman abstaining.

4.4 Emery County Local Building Authority (Emery County) [1:17:44]

Emery County LBA presented a funding assistance request for a \$1,500,000 grant for improvements to the senior center in Huntington. This project consists of design, engineering, site clearing & preparation for the construction of a new 5,000 square foot senior center building in Huntington to include a commercial kitchen and equipment, parking lot asphalt, flatwork, curb and gutter, drainage boxes and piping, pavement marking and signage, 150 linear feet of water service line, 150 linear feet of sewer service line, utilities and lighting. Applicant cash \$1,000,000.

**Proposed funding tool loan/grant scenario:*

MIN \$1,245,000 Loan, 30y @ 0.5% | \$255,000 Grant

MED \$1,373,000 Loan, 30y @ 2.0% | \$127,000 Grant

MAX \$1,500,000 Loan, 30y @ 3.5% | \$0 Grant

The applicant referred to the \$1,000,000 applicant cash and stated Emery County is paying \$500,000 for the property so the applicant contribution matches the CIB request. The applicant cash/ARPA funding is currently in their account. The senior center in Huntington is aging with no parking lot and not ADA compliant. The kitchen is not equipped for cooking, only serving. The new facility would have a commercial kitchen to accommodate Meals on Wheels for the County (other than Green River) with a large parking lot.

Commissioner Adams noted Emery County is contributing \$1,000,000 and \$500,000 in a property exchange.

Bruce Adams made and Ralph Brown seconded a motion to place this project on the Priority List for funding at the October 5, 2023 funding meeting as a \$1,500,000 grant citing a unique project exemption. The motion carried with the chairman abstaining.

Break 10:24 am [1:24:05] Return 10:46 am.

4.5. Green River City (Emery County) [1:24:17]

Green River City presented a funding assistance request for a \$2,440,000 loan for 20 years at 0.5% and a \$2,441,000 grant (total \$4,881,000) for sewer collection system improvements. This project consists of engineering and design for sewer system improvements. Sewer Collection system improvements include asphalt/concrete cutting, 81500 square feet of asphalt removal and 81500 square feet of 3-inch HMA, replacing 14,000 linear feet of 8" PVC sewer pipe, 2,300 linear feet of 12" sewer pipe, re-seeding, utility crossing relocation and replacing 57 each 48" manholes. Sewer Lift Station improvements include cleaning and servicing the wet wells, repair coating on pipe and appurtenances, improvements to 4 wet wells, replacing 4 odor control system blowers, 4 new metal grates, one 4" isolation valve, one 4" check valve, control panel update, 2 new backup generators with enclosure, replace lift station #2, one new 30 hp pump at lift station #4 and 4 new 3hp pumps for lift stations 1 and 3. Sewer Treatment system improvements include replacing headworks, sluice gates, aeration system blower, diffuser assemblies, metal in the chlorination building, site leveling for land application, replacing 2 generators, mechanical screen system and new building. Clay pipe improvements include asphalt cutting, 30000 square feet of asphalt removal and 30000 square feet of 3-inch HMA, 6000 linear feet of 8-inch PVC sewer pipe, reseeded, utility crossing/relocation and 20 each 48" manholes.

**Proposed funding tool loan/grant scenario:*

MIN \$1,221,000 Loan, 30y @ 0.0% | \$3,660,000 Grant

MED \$1,587,000 Loan, 30y @ 1.0% | \$3,294,000 Grant

MAX \$1,953,000 Loan, 30y @ 2.0% | \$2,928,000 Grant

The applicant stated the system has concrete and clay pipes that are severely corroded and deteriorated resulting in ground water infiltration. They have scoped the inside discovering strips of dirt inside the piping. The system is supposed to accommodate 500,000 gallons per day, but the maximum last year was 300,000 gallons per day resulting in sewage being dumped in the river. (They have a permit). This project will address failing portions of the sewer system. The MAGI is 72% of the state average.

Commissioner Lytle asked about the age of the existing pipe.

The applicant stated the original clay pipe was installed in 1905; the concrete pipe was installed in the 1950s. In 2002 they replaced a lot of the cement pipe and this project is to address the remaining pipe.

Mr. Slauch asked about recent rate increases.

The applicant indicated water is a tiered rate structure and increases on water have been implemented wherein lower water users saw a \$5.00 increase monthly and sewer resulted in a \$7.00 increase.

Scott Bartholomew made and Jerry Taylor seconded a motion to place this project on the priority list for funding at the October 5, 2023 funding meeting as a \$2,440,000 loan for 20 years at 0.5% and a \$2,441,000 grant as requested (total \$4,881,000). The motion carried with the chairman abstaining.

4.6. Big Water Municipal Corporation (Kane County) [1:32:00]

Big Water Municipal Building Authority presented a funding assistance request for a \$55,000 Grant for an F150 Truck for fire and rescue. This project consists of a new Ford F150 4x4 Super Crew Cab with accessories & equipment for emergency response to replace a 1999 Suburban that has over 260,000 miles. Applicant Cash \$10,000.

**Proposed funding tool loan/grant scenario:*

MIN \$100,000 Loan, 10y @ 0.0% | \$0 Grant
MED \$100,000 Loan, 10y @ 1.5% | \$0 Grant
MAX \$100,000 Loan, 10y @ 2.5% | \$0 Grant

The applicant said the bid was through a State contract. They are currently using a 1999 GMC suburban with 265,000 miles. 65% of calls are on County dirt roads. They respond to the 'Wave' area and Escalante and off road and remote areas of the County. The F150 is an all-around vehicle that will allow remote access as needed and transport medical cases to the larger vehicles

Commissioner Taylor noted Escalante applied for a grant from the State of Utah Outdoor Recreation for a side-by-side equipped with medical which helps the fire department in Escalante.

The applicant indicated they are looking into a similar grant.

Commissioner Miles asked how the vehicle would be equipped.

The applicant stated the vehicle will have firefighter equipment and tools. They partner with Kanab City Fire so there is sufficient pumping apparatus for fires; manpower is what is needed. Kanab has an F150 and they can transport 4 people quickly whereas a fire truck takes an extra half hour. Big Water has an MOU with Kanab and Kane County.

Commissioner Miles asked if they have asked Kane County to utilize TRT funds for this vehicle, where their revenue comes from and how many calls Big Water responds to.

The applicant indicated the TRT is allocated for EMS and this vehicle is for fire. Big Water has a contract with Amangiri Resorts for fire protection which provides revenue. Big Water Fire has provided EMS to Kane County at no cost but last year they requested a second ambulance to do hospital transports out of Page, Arizona. They now pay for 911 response and a fee for interfacility transports. Big Water responds to approximately 200 calls per year.

Commissioner Lytle suggested more funding to upgrade to a ¾ or 1 ton. A ¾ ton is better for clearance and rough terrain, though an F150 is a reasonable road truck.

The applicant indicated his research showed most fire departments use the F150. A ¾ ton may be better but more expensive with less availability.

Commissioner Lytle offered an addition \$10k toward the purchase of an F350.

Jack Lytle made and Dean Baker seconded a motion to place this project on the priority list for funding at the

October 5, 2023 funding meeting as a \$65,000 grant and the purchase of an F350. Then Commissioner Lytle questioned his motion in deference to what the applicant had requested.

Commissioner Miles stated that other entities fund their vehicles through a loan or cash; the CIB has provided \$60,000 for a car in 2022 and \$460,000 for 2 fire trucks in 2022. They have a budget of \$300,000. If this is funded, Big Water should seek funding for future projects from other sources or use their own revenue.

The applicant indicated the fire chief of Big Water fire department asked him to join 3 years ago to make things better for the fire department and the citizens. At that time they had an annual budget of \$35k and their equipment did not meet regulations. They now have an ISO rating 4, the \$300k budget pays for 2 personnel 24/7 and their equipment was upgraded. He stated their budget is tight and he doesn't like loans.

Commissioner Miles acknowledged the efforts and noted that Duchesne County does not have one paid full-time firefighter. There are other ways to accommodate new vehicles.

Jack Lytle made and Dean Baker seconded a motion to place this project on the priority list as a \$55,000 grant citing a financial hardship exemption. The motion carried with the chairman abstaining.

4.7. Escalante Municipal Building Authority (Garfield County) [1:54:30]

Escalante Municipal Building Authority presented a funding assistance request for a \$620,000 loan for 30 years at 1.0% and a \$940,000 grant (total \$1,560,000) for the Escalante City Medical Center Addition. This project consists of the building and design for the constructing a 3685 square foot addition to the existing medical center constructed in 2014 to include dental space with three exam rooms, lab and x-ray, storage, a restroom, dental office space and a physical therapy area with an entry/exit, a therapy room, wellness room, office, custodial room, restrooms, utilities and furnishings necessary for the function of the facility. The existing site will be expanded to include paving for additional parking, a traffic circulation route and storm drainage improvements.

**Proposed funding tool loan/grant scenario:*

MIN \$1,186,000 Loan, 30y @ 0.0% | \$374,000 Grant
MED \$1,342,000 Loan, 30y @ 2.0% | \$218,000 Grant
MAX \$1,498,000 Loan, 30y @ 3.5% | \$62,000 Grant

The applicant stated the existing medical center was constructed in 2014 and was to include a dental office but funding was insufficient. The dental office is currently in the Kazan Clinic but it is the plan to move the dental office to the medical clinic and a physical therapy clinic. The current city office was built in the 1950's and is not ADA compliant so it will be moved to the dental office space at the Kazan Clinic.

Mr. Zeenati asked if they had made application to the Eccles Foundation or ARPA funding as was stated in the application.

The applicant indicated they have not yet applied and their ARPA funding was used for the spring's renovation.

Commissioner Taylor said this is a great project for this small community with a population of 800 noting before this clinic was constructed, they had a part time clinic. Garfield County has a large amount of natural resources which cannot be utilized due to the Escalante National Monument, BLM, Forest and other State and Federal lands which cannot be taxed to accommodate necessary infrastructure.

Commissioner Adams acknowledged the value of a medical center near the community and this addition appears to be essential to the health, safety and welfare of the community. He noted the funding tool recommends more loan and he suggested funding as requested but with an increased interest rate.

The applicant indicated Wayne Community Clinic will pay a portion of the loan and Escalante City will pay a portion; the County supports the project.

Bruce Adams made and Naghi Zeenati seconded a motion to place this project on the Priority List for funding at the October 5, 2023 funding meeting as a \$620,000 loan for 30 years @ 1.0% and a \$940,000 grant (total \$1,560,000) citing an emergency response exemption.

The Chairman referenced the increasing amount of public lands in Garfield County and asked if the Southern Utah Wilderness Alliance, Grand Canyon Trust or any other groups of this type have offered any proposals to Garfield County as to how to pay for essential services as they pursue monument declarations and similar designations contributing to the growing amount of federal land wherein natural resource development cannot occur.

Commissioner Taylor stated there have not been any proposals from those entities to support the community for necessary infrastructure.

The Chairman called the question.

Bruce Adams made and Naghi Zeenati seconded a motion to place this project on the Priority List for funding at the October 5, 2023 funding meeting as a \$620,000 loan for 30 years @ 1.0% and a \$940,000 grant (total \$1,560,000) citing an emergency response exemption. The motion carried with Jerry Taylor and the chairman abstaining.

4.8 Enoch City (Iron County) [2:06:08]

Enoch City presented a funding assistance request for a \$742,043 grant for a police department expansion. This project consists of the construction of a 6904 square foot building to house the Enoch City Police Department next to the Enoch City Offices to include excavation, concrete footings & foundation, exterior utilities including sewer, water, power, fiber-optic internet, telephone, and natural gas main lines, framing, stucco and paint, metal roofing, 2 garage doors, framing, interior utilities including HVAC, plumbing, electrical and internet, interior finishes for three (3) restrooms, a meeting/training room, open offices for patrol officers, administrative offices, storage, evidence processing rooms, a sally port for vehicle investigations and storage. Applicant Cash \$82,000.

**Proposed funding tool loan/grant scenario:*

MIN \$743,000 Loan, 30y @ 2.5% | \$0 Grant

MED \$743,000 Loan, 30y @ 3.5% | \$0 Grant

MAX \$743,000 Loan, 30y @ 4.0% | \$0 Grant

The applicant stated that their current 1100 square feet is shared space; meeting rooms where city council meetings are held and also used for training. They have used sales tax to invest in the labor force, training and equipment. They need to expand the space to include space for an evidence area which is currently a small room and a cargo storage container which does not meet current standards. The applicant cash is available. They received other bids for \$1.8 million and \$3.2 million. The current bid is from a local contractor and Enoch City will be utilizing existing manpower to keep the expenses to a minimum.

Commissioner Bartholomew suggested a loan for this project.

The applicant referenced a discussion in a May 3rd meeting after the budget was discussed noting a loan would affect the sales tax revenue and adjustments would have to be made.

Commissioner Lytle asked if they had considered funding from the Community Development Block Grant (CDBG) and asked about their property taxes.

The applicant stated Enoch City does not qualify for CDBG funding and 90% of property tax is allocated to law enforcement and fire. They increased property tax in 2019 to accommodate two new police officers.

Commissioner Bartholomew referred to the funding tool recommendation of all loan with varying interest rates.

It was noted that the funding tool considers resource development impact wherein Iron County does not bear such an impact.

Scott Bartholomew made and Dean Baker seconded a motion to place this project on the Priority List for funding at the October 5, 2023 funding meeting as a \$743,000 loan for 30 years at 1.0%.

The Board noted the funding tool recommendation has a minimum interest rate of 2.5%; still below market rate.

Greg Miles made and Jack Lytle seconded a substitute motion to place this project on the Priority List for funding at the October 5, 2023 funding meeting as a \$743,000 loan for 30 years at 2.5%. The motion carried with the chairman abstaining.

Commissioner Miles acknowledged the difficulty the City has experienced and offered the Board's appreciation for what the police department does.

4.9 Bear River Water Conservancy District (Box Elder County) [2:19:00]

Bear River Water Conservancy District presented a funding assistance request for a \$250,000 grant for a Box Elder County water master plan (2023 SB76 water amendment bill) to develop, conserve and protect water resources for the benefit of Box Elder County residents into the future. This plan will include four public meetings to receive public input, analysis of existing culinary and irrigation water, identify individual water sources and water rights, analyze water use data, identify existing infrastructure and future infrastructure needs, identify surplus or deficit water supply, hydrologic data, planning for future water resource development including policies, best management practices, rules and regulations and growth scenarios resulting in the creation of seven regional plans and a county-wide water master plan. Applicant Cash \$250,000.

**Planning Grants require 50% Cash Match.*

The applicant indicated the District was founded in 1988 and they have 6 separate water systems. 92% of their water is to other public water suppliers and 8% is for other retail customers. They provide water to approximately 1/3 of the population of Box Elder County. There are legislative requirements to address water in the general plan. The cost for this study has been estimated to be \$530,000. The District will contribute \$250,000, \$250,000 is requested from CIB, \$10,000 from participation from a water smart scholarship and the Division of Water Resources is expected to contribute \$20,000. (CIB's portion of the funding is 47%)

Naghi Zeenati made and Scott Bartholomew seconded a motion to place this project on the Priority List for funding at the October 5, 2023 funding meeting as a \$250,000 grant.

Commissioner Lytle noted that their public hearing minutes referenced seeking other funding sources to reduce the cost to the District for this process. He suggested if there are ways to reduce their costs it should also be proportional to CIB.

The applicant indicated that would be agreeable.

Naghi Zeenati made and Scott Bartholomew seconded a motion to place this project on the Priority List for funding at the October 5, 2023 funding meeting as a \$250,000 grant. The motion carried with Dean Baker opposed and the chairman abstaining.

4.10 Wayne County (Wayne County) [2:24:30]

Wayne County presented a funding assistance request for a \$244,000 grant for SITLA easements on class D & B roads. This project consists of the preparation of legal descriptions by a professional land surveyor and working with SITLA to execute permanent easements on approximately 96 miles of Class D roads and 3 miles of Class B roads within Wayne County.

**SITLA easement purchases are eligible for grant funding as there is no revenue source for loan funding.*

It was noted that the CIB has funded SITLA Easements in other counties.

The applicant discussed Wayne County which has 3% private land and 70% is on greenbelt. The County includes wilderness areas and parks and it is important to keep access open.

Jack Lytle made and Ralph Brown seconded a motion to place this project on the Priority List for funding at the October 5, 2023 funding meeting as a \$244,400 grant. The motion carried with the chairman abstaining.

5. Large Infrastructure Projects	N/A
6. Pending Projects	N/A

7. Supplemental Requests N/A

7.1. Southeastern Utah Association of Local Governments (Carbon County) [2:30:00]

Southeastern Utah Association of Local Governments presented a 3rd supplemental funding assistance request for a \$395,000 grant for New Administration building and Food Bank & Weatherization building. (Funded 4-8-2021 - \$6,936,000 Grant + 1st Supp \$300,260 Grant; 10-6-2022 2nd Supp \$1,463,000 grant; 3rd Supp 8-3-2023 \$395,000 grant – Project Total \$9,094,260 Grant)

This project consists of the construction of a new 14,250 square foot administrative office building and a 10,830 square foot warehouse and garage to be utilized by SEUALG, Weatherization and the Carbon County Food Bank near 400 South Fairgrounds Road, Price, Utah. This project will include site design, survey, weatherization transit hub, concrete, concrete finishing, asphalt, drainage, parking, curb and gutter, pavement marking, signage, landscaping, fencing, utilities, storm water retention, equipment and appliances. *It was noted that audio visual equipment is not funded by CIB as it is a temporary item.*

Geri Gamber, Southeastern Utah ALG Director indicated the audio-visual equipment in question is within the building structure. They are building two buildings; an admin building and a Food Bank, Weatherization & Transit Hub facility. The first supplemental was to cover a CDBG authorization for engineering which became ineligible, the second supplemental was for budget items which increased the cost and this third supplemental is due to the ALG is tax exempt. It was bid as tax exempt and the contractor did not include taxes. It was contested by another bidder wherein it was determined that tax was owed. Contingency was utilized to cover some of the sales tax and this request is to cover the remainder.

Commissioner Lytle asked if there was any loan involved in the funding.

Ms. Gamber stated that AOG's are not able to pay loans; they are all grant funded.

Commissioner Lytle noted that other AOG's have been funded through a loan. The member counties have contributed.

Ms. Gamber stated their counties are not in that position. It was noted that the land for the building was donated by Carbon County.

Mr. Slaugh asked if the AOG was created by the State; they could go to the Legislature to get appropriated funding and there is no revenue source.

Ms. Gamber noted that the Legislature has appropriated funding for positions within the AOG to assist counties.

Mr. Slaugh indicated that the State has created the AOG's and funding should be discussed and appropriated through legislators at a level that is adequate. If CIB provides grant funding, there is no incentive to seek funding through legislative means.

Commissioner Miles asked if the AOG dissolves, who will own the building.

Ms. Gamber indicated the AOG will own the building, but if the AOG dissolves, the four counties will own the building.

Commissioner Miles confirmed that correct and therefore the counties and municipalities within the AOG should bear some of the financial contribution to the building.

Mayor Baker asked who is collecting the sales tax that is deemed to be owed.

There was a discussion and concern about who gets the collected tax; the State should review this tax issue.

Mr. Slaugh affirmed the CIB is not a revenue source to fund State created entities. This revenue is to fund local municipalities.

Ms. Gamber stated AOG's are not technically a State Agency and further stated funding goes through other agencies to be allocated to the AOG. The AOG is created through an interlocal agreement noting 50 years ago, AOG's were created by block grants, but they are not technically State agencies. Most of the AOG funding is through Federal grants and some State grant funding.

Commissioner Lytle asked if the grant funding would affect any County PILT revenue and the answer was it does not.

Commissioner Adams acknowledged the State does not allocate funding to any AOG. CIB has funded this building with approximately \$9 million in grant funding and the building is nearly completed. The revenue to

complete the building is short due to the sales tax issue and there is no other revenue source stating time is critical.

Bruce Adams made and Scott Bartholomew seconded a motion to fund the supplemental request as an \$395,000 grant. The motion carried with Greg Miles opposed and the chairman abstaining.

9. Board Member Discussion and/or Action Items

9.1 CIB Board Meeting – October 5, 2023, Salt Lake City – confirmed.

9.2 Seven County Infrastructure Coalition (SCIC) Update on projects – approval of Administrative funding 4th tranche \$750,000. (*1st Administrative & Planning Funding FY2015 = \$5,000,000.*)
2nd Administrative & Planning Funding - \$3,000,000 - April 4, 2019)

Jack Lytle made and Dean Baker seconded a second substitute motion to fund the \$750,000 per year with an annual review and renewal process with the proposed terms and conditions to include drawback of \$3,000,000 from the Major Infrastructure Set Aside Fund into the Mineral Lease Account. The motion passed with Gregg Galecki opposed.

A \$750,000 contract will be issued. The Coalition will provide an annual update and review. The Board shall authorize each of the 3 annual \$750,000 tranches.

This is the final \$750,000 tranche of the \$3,000,000 Grant funded April 4, 2019.

Mr. Heaton, Director of the Seven County Infrastructure Coalition stated that 10 years ago when the SCIC was organized and CIB authorized the first \$5,000,000, the benefits were uncertain. He indicated that since that time, extraction has exceeded the historic level wherein a portion of the revenue from extraction on federal lands comes directly to CIB and tax revenue has also increased due in large part to the Seven County Infrastructure Coalition. The SCIC initiated a study of waxy crude in the Basin with CIB funding. Historically about 80,000 barrels of oil is delivered to the Salt Lake City refineries wherein the refineries pay a discounted price of approximately 15%. The study indicated the Basin crude can be shipped to the Gulf coast for global markets, alleviating the discount and allowing the full value of the resources in the Basin to be realized. Reference was also made to advantages of the Uinta Basin Rail when it is completed for increased production. The value of CIB funding to all of rural Utah was acknowledged and Mr. Heaton expressed appreciation for the funding to this entity. This is the final tranche of the April 4, 2019 award. They have great projects on the horizon and the funds will be well utilized.

Naghi Zeenati made and Bruce Adams seconded a motion to authorize the 4th Tranche of Administration & Planning funding for Seven County Infrastructure Coalition.

Mr. Slauch asked for an update on the rail study and the project in regard to the return of the study funds when it is purchased by the developer.

Mr. Heaton stated the railroad is coming along nicely but is complicated. Raising the private equity funds is a slow process but commitments are being accommodated. The capital is coming together and SCIC will be a conduit issuer of private activity bonds over the next several months out and SCIC will be securing options on rights of way. The \$27 million is expected to be returned when SCIC sells their interest in the project; anticipated in Spring 2024.

Mr. Slauch noted that CIB has been the primary funding source for the SCIC budget and asked what the intent is for funding going forward.

Mr. Heaton indicated part of the plan is to continue to work with CIB on projects noting their agreement with the private partners includes an annual income to SCIC. The Private Activity Bonding also includes conduit issuer fees to SCIC which is anticipated to fund SCIC's administration and projects. They also work with other State agencies depending on the projects. It is currently believed that the railroad income will sufficient for their operations.

The Chairman called the question.

Naghi Zeenati made and Bruce Adams seconded a motion to authorize the 4th Tranche of Administration & Planning funding for Seven County Infrastructure Coalition. The motion carried with *Jack Lytle and *Greg Miles recusing and the chairman abstaining.

**Commissioner Lytle indicated he has been counseled concerning this vote wherein he noted he is legally within his rights to vote, but will recuse himself from the vote.*

Mr. Pieper noted that disclosure of the affiliation allows Commissioner Lytle to vote. Under the Ethics Act which also applies there is some degree of ambiguity which is why recusal was recommended. It further defends the integrity of the decision as a whole.

The issue was discussed with differing opinions.

**Commissioner Miles concurred with Commissioner Lytle adding that State Legislators file their disclosures and it is not questioned. He also recused himself.*

Mr. Pieper acknowledged requirements for executive branch officials are much more extreme than for legislative branch officials in regard to disclosure and recusal related to conflicts.

LUNCH AND ADJOURNMENT [3:05:56]

The next meeting of the Permanent Community Impact Board will be October 5, 2023 in Salt Lake City, Utah.

The meeting adjourned at 12:28 pm.

Submitted by:
Candace Powers