

## PERMANENT COMMUNITY IMPACT FUND BOARD MEETING

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

### MINUTES

Thursday, January 8, 2015

#### **Members Present**

Gordon D. Walker	Chairman
Claudia Jarrett	Six County Association of Governments
Bruce Adams	Southeastern Utah Association of Governments
Gawain Snow	State Board of Water Resources
Jae Potter	Carbon County
Michael McKee	Uintah County
Jim Matson	Five County Association of Governments
Gregg Galecki	State Board of Water Quality
Naghi Zeenati	State Transportation Commission
Kent Peatross	Uintah Basin Association of Governments

#### **Members Excused**

Richard Ellis	State Treasurer
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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
Cristine Rhead	Housing and Community Development
Shad West	Housing and Community Development
Mike Hansen	Housing and Community Development
Shannon Ellsworth	Housing and Community Development
Brenda Brown	Housing and Community Development
Katherine Smith	Housing and Community Development
Michele Vobora	Housing and Community Development
Thom Roberts	Attorney General's Office
Jeff Holt	BMO Capital Markets
James Dean	Fillmore Fire Department
Shane Brunson	Fillmore Fire Department
John Orullian	Fillmore Fire Department
Darren Brunson	Fillmore Fire Department
Russ Cowley	Six County Association of Governments
Cody Christensen	Uintah Basin Association of Governments
Ron Winterton	Duchesne County
Lee Moon	East Duchesne Culinary Water Improvement District
John Swasey	East Duchesne Culinary Water Improvement District
Clinton Moon	East Duchesne Culinary Water Improvement District
RoJean Rowley	Duchesne City
Steve Rowley	Duchesne City
Chuck Richins	Horrocks Engineers
Don Winterton	Duchesne County Special Service District #2
Merrial Johansen	Johansen & Tuttle Engineering
Jacob Sharp	Castle Valley Special Service District

Brian Barton  
Eric Johnson  
Kim Peterson  
David Nielsen  
Daren Anderson  
Michael Bryant  
Brian Carver  
Gordon Topham  
Gary Mason  
Malcolm Nash  
Michael Hawley  
Alex Buxton  
Diego Carroll  
Doug Nielsen  
Kevin Christensen  
Jim Truett  
Father Alan Hohl  
Bill White  
Justin Johnson  
Albert Foster  
Alan Roper

Jones & DeMille Engineering  
Blaisdell, Church & Johnson  
Central Valley Town  
Central Valley Town  
Caldwell Richards Sorensen Engineering  
Southeastern Utah Association of Local Governments  
Bear River Association of Governments  
Sevier County  
Sevier County  
Sevier County  
Jones & DeMille Engineering  
Zion's Bank Public Finance  
Parsons Brinkerhoff Engineering  
Sunrise Engineering  
Sanpete County  
Huntsville Town  
Abbey of Our Lady of the Holy Trinity Monastery  
Huntsville Town  
Roosevelt City  
Roosevelt City  
Millard County

## **WELCOME**

The Permanent Community Impact Fund Board (CIB) Meeting was held on Thursday, January 8, 2015 at the State Library Division, 250 North 1950 West, Salt Lake City, Utah, and called to order at 8:30 a.m. by Chairman Gordon Walker.

## **ADMINISTRATIVE ITEMS**

### **Financial Review**

Candace Powers reviewed the status of the funds for today's meeting. There are eight new projects, one pending project and two requests for special consideration on today's agenda.

### **Review of Agenda Items**

Candace Powers reviewed the agenda items for the Board members.

## **I. INTRODUCTIONS**

Chairman Walker welcomed everyone and asked the Board members and staff to give introductions.

## **II. APPROVAL OF MINUTES**

Chairman Walker requested a motion to approve the minutes from the December 11, 2014 meeting.

**Jim Matson made and Naghi Zeenati seconded a motion to approve the minutes from the December 11, 2014 meeting. The motion carried unanimously.**

Chairman Walker indicated that the discussion of the Infrastructure Set Aside Amendment to the Board's rules would be at the beginning of the meeting while Thom Roberts from the Attorney General's Office was present.

At the December 11, 2014 meeting, the Board discussed setting policy for transferring funds into an Infrastructure Set Aside Fund at the end of each trimester. Thom Roberts indicated that the policy should be set in the rules prior to implementing a new policy. The process required to make the rule official may be completed in approximately 120 days.

The Board suggested that Thom Roberts work with staff and prepare the rule for Board consideration at the January 8, 2015 CIB meeting.

Thom Roberts presented the new rule for discussion by the Board at today's meeting.

Chairman Walker requested a motion to move forward and publish the rule.

**Claudia Jarrett made and Gawain Snow seconded a motion to accept the new Rule and move forward with its publication. The motion carried unanimously.**

### **III. NEW PROJECTS**

#### **1. East Duchesne Culinary Water Improvements District (Duchesne County)**

East Duchesne Culinary WID presented a funding assistance request for a \$207,000 grant for the purchase of 9,000 linear feet of 12-inch piping and associated valves and accessories.

The applicant indicated that the funding was for the purchase of materials only. The applicant would provide labor and installation.

The applicant stated that the system has difficulties with reduced water pressure and indicated that the existing line is 30 years old. The new line will back up the older line and prevent a loss of water to users if the older line fails.

The Board asked if the Victory Pipeline would alleviate the need for this project when completed.

The applicant indicated that the Victory Pipeline will help the pressure problems in most of the areas of the district, but will not have any affect in the eastern portion of the district where this line is located.

The Board acknowledged the importance of effective water systems, but expressed concern that there has been a lot of investment by the Board in the Duchesne area water systems.

**Claudia Jarrett made and Kent Peatross seconded a motion placing this project on the Priority List for funding consideration at the February 5, 2015 funding meeting as a \$207,000 grant. The motion carried unanimously.**

#### **2. Duchesne County Special Service District #2 (Duchesne County)**

Duchesne County Special Service District #2 presented a funding assistance request for a \$4,464,000 grant for Phase III of the Bluebell Connector Road improvements consisting of road improvements to include milling and widening of the roadway, installation of hot mix asphalt over milled and widened surfaces, realigning areas of the road to meet safety standards, new sub-base, base and hot mix asphalt installed on the realigned roadway, widening the shoulders, drainage improvements and traffic and safety elements to include signage and delineators. The applicant is contributing \$2,934,000 to the project.

The applicant discussed the phases of improvements to this road. Phase I of the project was completed in 2012 with a 60% grant from CIB and 40% matching funds from the Duchesne County SSD #2. Phase II is currently under construction and is funded with federal funds through the Joint Highway Committee and Duchesne County SSD#2 matching funds. This project is Phase III and will be 5 miles.

The Board asked if there would be other phases.

The applicant stated that there would be and it is the intent to address Phase IV soon.

The Board asked if this road was encumbered by any contested rights of way and easements or legal issues.

The applicant stated that there are no issues at this time and they do not anticipate any problems.

The Board discussed funding options.

**Michael McKee made and Naghi Zeenati seconded a motion placing this project on the Priority List for funding consideration at the February 5, 2015 funding meeting as a \$4,464,000 grant.**

The Board discussed funding this project as part loan, part grant.

**Claudia Jarrett made and Jim Matson seconded a substitute motion placing this project on the Priority List for funding consideration at the February 5, 2015 funding meeting as a \$1,530,000 loan for 10 years at 0.0% interest and a \$2,934,000 grant (total \$4,464,000). The motion failed with 4 ayes: (Jarrett, Adams, Matson, Galecki) and 5 nays; (Snow, McKee, Zeenati, Peatross, Potter).**

The Board voted on the original motion.

**Michael McKee made and Naghi Zeenati seconded the original motion placing this project on the Priority List for funding consideration at the February 5, 2015 funding meeting as a \$4,464,000 grant. The motion carried with Claudia Jarrett, Gregg Galecki, and Jim Matson opposed.**

### 3. Duchesne City (Duchesne County)

Duchesne City presented a funding assistance request for a \$1,100,000 loan for 10 years at 0.0% interest and a \$4,414,000 grant (total \$5,514,000) for a street restoration project. The project consists of replacing 8 miles of city roads, and maintenance of 4 miles of city roads. This includes 92,700 square yards of existing asphalt to be roto-milled, 1,000,900 square feet of new asphalt, 80,500 linear feet of drainage improvements, 58,800 square yards of chip seal, 21 tons of crack seal and several pedestrian improvements. The applicant is contributing \$200,000 cash and \$200,000 in-kind as road base to the project.

The applicant stated that 40% of this project is to mitigate drainage issues including the crown of the streets, gravel swells and drop boxes. Major repairs to the sewer and water systems have been completed and now the streets are in need of improvements. The last major improvements to the streets were in the 1990's.

The Board expressed concern about the size of this project and suggested that the project be placed on the Pending List allowing the applicant an opportunity to prioritize the roads according to need.

The applicant indicated that the roads have been prioritized and referred to the various maps included in the application and stated that B & C road funding is limited.

The Board acknowledged the need for road improvements where roads are poorly designed for heavier traffic. The Board inquired about the timeline for the project.

The applicant stated that the project would begin in May and was expected to be completed by October of this year.

The Board discussed project funding.

**Claudia Jarrett made and Kent Peatross seconded a motion placing this project on the Priority List for funding consideration at the February 5, 2015 funding meeting as a \$1,100,000 loan for 10 years at 0.0% interest and a \$4,414,000 grant (total \$5,514,000). The motion carried with Jae Potter and Gregg Galecki opposed.**

4. Duchesne City (Duchesne County)

Duchesne City presented a revised funding assistance request for a \$47,000 grant to purchase a responder engine fire truck with a 1000 gallon water tank and a 1250 GPM pump with pump and roll capabilities. The applicant is contributing \$225,000 to the project.

**Bruce Adams made and Jim Matson seconded a motion placing this project on the Priority List for funding consideration at the February 5, 2015 funding meeting as a \$47,000 grant. The motion carried unanimously.**

5. Millard County Fire District (Millard County)

Millard County Fire District presented a funding assistance request for a \$400,000 grant to purchase a Pierce 75' ladder structure truck for the Fillmore Fire Department. The truck will be housed at the Fillmore Fire Department and will serve the entire county. The applicant is contributing \$250,000 to the project.

The applicant indicated that the Fillmore Fire Department has a 1990 model year fire truck as their main engine. With the purchase of a new ladder truck, the 1990 truck would become the backup and an older engine would then become a rescue truck for response to injury accidents.

The applicant stated that the Fillmore Fire Department covers the communities of Flowell, Scipio, Holden, Meadow, Kanosh and the Kanosh Paiute Indian Reservation in addition to Fillmore City.

The Board asked about the size of building the new truck could respond to.

The applicant indicated that the new truck would be able to adequately respond to a 75' structure and that Fillmore had updated their water flow to support higher water flow.

The Board acknowledged the applicant cash and discussed the funding request.

**Naghi Zeenati made and Gregg Galecki seconded a motion placing this project on the Priority List for funding consideration at the February 5, 2015 funding meeting as a \$400,000 grant. The motion carried unanimously.**

6. Central Valley Town (Sevier County)

Central Valley Town presented a funding assistance request for a \$13,000 grant for a street management and improvement plan. This project consists of creating a comprehensive street management and improvement plan that evaluates traffic counts on Main Street, Center Street, Central Boulevard and Sevier River Road. The plan will also identify drainage issues, utility conflicts, safety issues and develop GIS mapping and probable costs of necessary improvements of town roads. The applicant is contributing \$13,000 to the project.

The applicant indicated that roads are deteriorating, rutting and cracking. The funding will enable the town to core the roads for study and assessment and make improvement decisions.

The Board acknowledged the purpose for this study including safety issues, funding issues and making improvement decisions based on facts.

**Michael McKee made and Naghi Zeenati seconded a motion placing this project on the Priority List for funding consideration at the February 5, 2015 funding meeting as a \$13,000 grant. The motion carried unanimously.**

7. Castle Valley Special Service District (Emery County)

Castle Valley Special Service District presented a funding assistance request for a \$705,000 loan for 6 years at 1.5% interest and a \$500,000 grant (total \$1,205,000) for 2015 Capital Improvement Projects. This project consists of street and drainage work in Elmo City, Huntington City, and Emery City; street work in Cleveland City; street and water line repairs in Castle Dale City; water line maintenance in Orangeville City; drainage work in Clawson Town; street, drainage and sewer repairs in Ferron City.

The applicant indicated that priority needs in each of the eight cities covered by Castle Valley SSD have been identified to stay within the parameters of the Castle Valley SSD funding structure.

The Board commended the applicant on the application submitted and the thoughtful prioritization of what actually needs to be done.

**Claudia Jarrett made and Kent Peatross seconded a motion placing this project on the Priority List for funding consideration at the February 5, 2015 funding meeting as a \$705,000 loan for 6 years at 1.5% interest and a \$500,000 grant (total \$1,205,000). The motion carried unanimously.**

8. Huntsville Town (Weber County)

Huntsville Town presented a funding assistance request for a \$606,000 grant for water system improvements. This project consists of constructing storage ponds and pipelines to add required capacity for Huntsville Town and provide treated water to the Monastery of the Abbey of Our Lady of the Holy Trinity. The applicant is contributing \$55,000 cash and the Monastery is contributing \$100,000 in-kind (land). The Division of Drinking Water has provided \$39,000 for planning.

The applicant stated that Huntsville Town's drinking water comes from the Bennett Springs. The Monastery owns 60% of Bennett Springs and the Town owns 40%. The Town has an interest in securing additional water and storage capacity, and the Monastery has an interest in obtaining treated water from the Town's treatment plant. The water shares, land and rights-of-way for pipe are being donated by the Monastery to the Town of Huntsville.

The applicant indicated that the main culinary water trunk line is 90 year old cast iron as are many of the culinary water lines needing to be replaced. This project includes adding a line across the Monastery field from the treatment plant to supply treated water to the Monastery and increasing the Huntsville Town water supply.

The Board commended the collaboration of Huntsville and the Monastery and acknowledged Huntsville as a small rural community eligible for CIB funding.

**Claudia Jarrett made and Gawain Snow seconded a motion placing this project on the Priority List for funding consideration at the February 5, 2015 funding meeting as a \$606,000 grant. The motion carried unanimously.**

**IV. PENDING PROJECTS**

1. Town of Mayfield (Sanpete County)

On November 6, 2014 Mayfield Town presented a funding assistance request for an \$873,000 grant for road improvements. This project consists of improving 6.5 miles of existing paved roads. In addition, 360 linear feet of 12 inch culvert metal pipe, 1050 feet of 15 inch culvert metal pipe, 180 linear feet of 24 inch culvert metal pipe, 140 linear feet of 30 inch culvert metal pipe and 140 linear feet of 36 inch culvert metal pipe will be installed to improve drainage. The applicant is contributing \$55,000 cash to the project.

The applicant indicated that the last major road improvement was done in 1995 when the Canyon Road was roto-milled and resurfaced and all the roads were chip sealed. Maintenance of the town roads since that time has consisted of crack treatment, weed control, and pothole repair.

The applicant stated that poor drainage has resulted in the deterioration of the road. Mayfield Town only gets \$28,000 a year for Class C roads and uses it to patch the roads.

The Board expressed concern about the town's road maintenance noting no major road improvements have been done since 1995. The Board stated a need for better maintenance planning by the town.

The applicant indicated that they have implemented changes including an amended general plan to reflect the need for continued maintenance and repair of the town's roads.

The Board indicated that this project may not be ready. The Board raised several issues. The applicant was requested to identify the critical components of the project including a detailed budget specifying what is necessary and/or secondary and prepare a revised itemized cost breakdown of the project indicating priority.

**Kent Peatross made and Michael McKee seconded a motion to move this project to the Pending List. The motion carried unanimously.**

On December 12, 2014, the CIB staff received notice from Mayfield Town requesting time on the January 8, 2015 CIB agenda to discuss the Mayfield Town street improvements project application.

As per the Board's request, an itemized priority list for the road improvements was provided to the Board members.

The Board reviewed and discussed the submission. The Board indicated that the applicant had complied with the Board's request for additional information concerning this project.

**Michael McKee made and Bruce Adams seconded a motion placing this project on the Priority List for funding consideration at the February 5, 2015 funding meeting as a \$873,000 grant. The motion carried unanimously.**

## **V. REQUESTS FOR SPECIAL CONSIDERATION**

Chairman Walker requested a motion to hear the Requests for Special Consideration from Roosevelt City Municipal Building Authority and Sevier County Special Service District #1.

**Gregg Galecki made and Naghi Zeenati seconded a motion to hear the Requests for Special Consideration from Roosevelt City Municipal Building Authority and Sevier County Special Service District #1. The motion carried unanimously.**

### **1. Roosevelt City Municipal Building Authority (Duchesne County)**

On December 1, 2014 CIB staff received a call from Roosevelt City requesting time at the January 8, 2015 CIB meeting to discuss a change in loan terms for the \$1,600,000 loan for 10 years at 1.5% interest portion of the CIB funding for the aquatic center which was funded on October 2, 2014. Roosevelt City is requesting that the \$1,600,000 loan terms be extended to 20 years at 1.5% interest.

The Board discussed the change of terms.

**Bruce Adams made and Gregg Galecki seconded a motion to change the terms of the \$1,600,000 loan portion of the Roosevelt City Aquatic Center from 10 years at 1.5% interest to 20 years at 1.5% interest as requested. The motion carried unanimously.**

2. Sevier County Special Service District #1 (Sevier County)

On December 12, 2014 the CIB staff received information from Sevier County Service District #1 requesting time on the January 8, 2015 CIB agenda to discuss the Central Valley Rail Project application for completing the easements and rights of way study for the Central Valley Rail Project. The project consists of planning, studies and engineering to include I-70 Lost Creek Interchange, bridge design and estimates, mainline connection design, land surveys for land ownership, FHWA Permit for I-70, soils testing at Yuba Narrows, UP connection studies & agreement, power transmission line and EIS completion for the Central Utah Rail Project. The proposed rail line will be approximately 43 miles from Levan to Salina City terminating at the mouth of Salina Canyon on Interstate 70. The applicant is contributing \$100,000.

The applicant indicated that this study began in 2001 at a cost of approximately \$2,800,000 in federal and applicant funding to date for the purpose of establishing a corridor for rail. The funding request will complete the necessary components to be ready for final approval of the Surface Transportation Board in June 2015.

The Board inquired as to who would own the rail and whether the NEPA has been completed.

The applicant stated that a three county organization comprised of Sevier, Sanpete, and Juab Counties would own the rail line. The NEPA is part of this project.

The Board commended the efforts made thus far and the readiness of this project. The Board inquired as to what lands would be included in the project.

The applicant indicated that the rail would not traverse Forest Service property, but it would cross some BLM and private lands and that they are still working on the private land easements.

The Board acknowledged that rail transportation is important but inquired as to what effect this may have on the trucking industry.

The applicant stated that there would be a shift but the trucking industry would certainly still be necessary.

The Board again expressed appreciation for the readiness of this project, the positive effect the completed project would have and admonished the applicant to keep moving forward.

**Naghi Zeenati made and Claudia Jarrett and Jae Potter seconded a motion placing this project on the Priority List for funding consideration at the February 5, 2015 funding meeting as a \$100,000 grant. The motion carried unanimously.**

**VI. BOARD MEMBER ISSUES**

1. Policy authorized by the Board for the 3<sup>rd</sup> Trimester.  
The standard loan interest rate will be 2.5% beginning with the new applications February 1, 2015.
2. March 5, 2015 CIB meeting will be in St. George, Utah.  
Staff will make arrangements and notify the Board as to accommodations and meeting space.
3. June 11-12, 2015 Board Retreat will be held in Price, Utah.  
Carbon County will be the host. Logistics will be forthcoming.

4. The Board engaged in a brief infrastructure set aside discussion. The Board indicated that there had been \$50,000,000 set aside last trimester which caused some concern about CIB project funding, but all applications submitted last trimester were reviewed and received funding. The Board acknowledged that the rail study project application heard today, which had been in the preparation stage for years, may be the first of many significant projects going forward.
5. The Energy Summit meeting in Vernal, Utah will be on September 10, 2015. This will not conflict with the CIB Board meeting on September 3, 2015.

### **ADJOURNMENT**

The next regularly scheduled meeting of the Permanent Community Impact Fund Board will be on Thursday, February 5, 2015 in the Department of Environmental Quality Board Room at the Multi-Agency State Office Building, 195 North 1950 West, Salt Lake City, Utah.

The meeting adjourned at 11:47 a.m.

Submitted by:  
Cristine Rhead