

PERMANENT COMMUNITY IMPACT FUND BOARD MEETING

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

MINUTES

February 6, 2020

Members Present

Jonathan Hardy	Chairman
Bruce Adams	Southeastern Utah Association of Local Governments
Naghi Zeenati	State Transportation Commission
Irene Hansen	Duchesne County
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
Garth "Tooter" Ogden	Six County Association of Governments
David Damschen	State Treasurer
Gregg Galecki	State Board of Water Quality

Staff and Visitors

Keith Heaton	Housing and Community Development
Candace Powers	Housing and Community Development
Gayle Gardner	Housing and Community Development
Brenda Brown	Housing and Community Development
Pam Sjostrom	Housing and Community Development
Katherine Smith	Housing and Community Development
Kayl Smith	Housing and Community Development
Paul Moberly	Housing and Community Development
Alison Garner	Attorney General's Office
Lisa Nelson	Division of Drinking Water
Skyler Davies	Division of Water Quality
Bill Prater	Bond Counsel
Zach Leavitt	Six County Association of Governments
Louis L. Pratt	Kane County
Sheri Dearden	Millard County
Ryan Goodrich	Ashley Valley Water and Sewer Improvement District
WaLon Brinkerhoff	Town of Tropic
Dave Shakespeare	Town of Tropic
Gregg Savage	San Juan Health Services
Parker Vercimak	Jones & DeMille Engineering
Clayton Holt	San Juan Health Service District
Paul Sonderegger	San Juan Health Service District
Steve Simpson	San Juan Health Service District
Branden Lammert	Maeser Water Improvement District
Jacob Sharp	Castle Valley Special Service District
Julia Kyte	Durham Jones & Pinegar for Moab Valley Healthcare (MRH)

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Bradon Bradford	Southeast Utah Health Department.
Kary Monroe	Jones & DeMille Engineering
Keith Despain	CRS Engineers
Robert Sherlock	Moab Valley Healthcare
Jimmy Johnson	San Juan Health Service District
Stan Holmes	Utah Sierra Club
Nathan Hall	Department of Environmental Quality
Aaron Metcalfe	Hogan Construction
Justin Atkinson	Sunrise Engineering
Mack McDonald	San Juan County
Devin Etcitty	Student – University of Utah
Michael Bryant	Southeastern Utah Association of Local Governments
Eric Johnson	Blaisdell, Church & Johnson
Andy Gant	Kane County
Lamont Smith	Kane County
Lane Farr	Office Legislative Auditor General
Will Wright	Uintah Basin Association of Governments
Alex Buxton	Zion's Bank Public Finance
Carl Fillmore	North Emery Water Users Special Service District
Margaret Lautaimi	Department of Workforce Services
Debi Carty	Department of Workforce Services [9:46]

WELCOME

The Permanent Community Impact Fund Board (CIB) Meeting was held on Thursday, February 6, 2020 at the DWS Admin South Building, 1385 South State Street, Room 157, Salt Lake City, Utah and was called to order at 8:31 a.m. by Chairman Jonathan Hardy.

I. ADMINISTRATIVE ITEMS

Briefing

1. Upcoming Meeting dates and Locations

March 5, 2020 – Meeting has been canceled

April 2, 2020 – DWS Office, 1385 South State Street, Room 157, Salt Lake City

May 7, 2020 – DWS Office, 1385 South State Street, Room 157, Salt Lake City

June 11 & 12, 2020 – Funding Meeting and Policy Meetings in Kanab, Utah

2. Financial Review

Candace Powers reviewed the status of the funds for today's meeting. There are eleven projects for final funding consideration and one supplemental request.

II. WELCOME AND INTRODUCTIONS

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

Gregg Galecki was excused at this time; to arrive later.

III. APPROVAL OF MINUTES [07:04]

Chairman Hardy requested a motion to approve the minutes from the December 12, 2019 meeting.

Naghi Zeenati made and Tooter Ogden seconded a motion to approve the minutes of the December 12, 2019 meeting. The motion carried with Mike Dalton abstaining.

IV. PRIORITY PROJECTS [07:55]

All projects advanced to the Priority List were reviewed by the Board at previous meetings. The information below is a summary of the requests as advanced to the Priority List.

1. Ashley Valley Water and Sewer Improvement District (Uintah County) [08:22]

Ashley Valley Water and Sewer Improvement District's funding request was advanced to the Priority List as a \$660,000 loan for 30 years at 1.0% interest. This project consists of the replacement of two (2) lift stations with greater capacity and solids handling capability. The 3500 S lift station project will consist of a new 500 square foot building, upsizing the force main leaving the lift station, new pumps and appurtenances, and demolition of the existing lift station. The Stubbs Lift Station project will consist of the construction of a new dry well vault, rehabilitation of the existing wet well, installation of two grinder pumps and appurtenances and necessary electrical and piping work. Both lift stations will require bypass pumping during construction and new sensors and controls, as part of this project.

Total Funding Request: \$660,000 loan for 30 years at 1.0% interest

Naghi Zeenati made and Bruce Adams seconded a motion to fund this project as advanced to the Priority List. The motion carried unanimously.

2. Maeser Water Improvement District (Uintah County) [08:54]

Maeser Water Improvement District's funding request was advanced to the Priority List as a \$375,000 loan for 30 years at 0% interest and a \$125,000 grant (total \$500,000). This project will consist of building a 4,800 SF (60' x 80') metal building with a restroom, mezzanine and 5 overhead doors to store District equipment. (The sewer truck has water storage so indoor storage is necessary to prevent freezing). There will also be a 24" x 24" x 36" catch basin, a 4" PVC SCR-35 sewer pipe and 2 new sanitary sewer cleanouts to be installed on site by Maeser Water.

Total Funding Request: \$500,000 (\$375,000 loan for 30 years at 0.0% interest and a \$125,000 grant).

Jack Lytle made and David Damschen seconded a motion to fund this project as advanced to the Priority List. The motion carried unanimously.

3. Salina City (Sevier County) [09:29]

Salina City's funding request was advanced to the Priority List as a \$1,700,000 loan for 30 years at 1.0% interest and a \$1,700,000 grant (total \$3,400 000). This project will consist of building a 14,137 square foot building (7,234 SF main floor, 6,903 SF basement) to house the city council/court room, council/judge's chambers, 5 offices, break room, storage room, 2 reception rooms, 2 waiting rooms, a library, men's and women's restrooms, patrol area, interview room, and a sally port with 2 garage doors on the main floor and a conference/training room, storage room, mechanical room and an evidence storage room in the basement, a new parking lot and other site development.

Total Funding Request: \$3,400,000 (\$1,700,000 loan for 30 years at 1.0% interest and a \$1,700,000 grant).

Tooter Ogden made and Mike Dalton seconded a motion fund this project as advanced to the Priority List. The motion carried unanimously.

4. Carbon County Municipal Building Authority (Carbon County) [09:56]

Carbon County Municipal Building Authority's funding request was advanced to the Priority List as a \$1,434,000 loan for 30 years at 2.5% interest and a \$1,434,000 grant (total \$2,868,000). This project will consist of remodeling an existing 3,500 SF building to include a preparedness office and storage room, conference room, vestibule, restrooms, 3 environmental offices and a health lab and remodeling an existing 17,550 SF building to include 8 WIC offices, 2 WIC storage areas, a WIC lab, cancer screening lab, immunization lab, audiology lab, weigh/measure lab, 4 district offices, 6 health education rooms, a play area, WIC and medical reception area, 3 accounting offices, computer room, 4 storage rooms, restrooms, 6 offices, conference room and exercise room. The applicant is contributing \$22,000 cash.

Total Funding Request: \$2,868,000 (\$1,434,000 loan for 30 years at 2.5% interest and a \$1,434,000 grant).

Bruce Adams made and Kyle Stephens seconded a motion to fund this project as advanced to the Priority List. The motion carried unanimously.

5. Local Building Authority of San Juan County Health Service District (San Juan County) [10:32]

The Local Building Authority of San Juan County Health Service District's funding requested was advanced to the Priority List as a \$4,073,000 loan for 30 years at 1.0% interest and a \$1,357,228 grant (total \$5,430,228). This project will consist of building an ADA compliant 12,000 sq. ft. building with 12 exam rooms, 4 procedure rooms, an x-ray room, CT room, ultrasound room, a pharmacy, laboratory, reception and registration area, training room, nursing station, restrooms, staffing break area, secure storage, physician and administrative offices.

Total Funding Request: \$5,430,228 (\$4,073,000 loan for 30 years at 1.0% interest and a \$1,357,228 grant).

Naghi Zeenati made and Mike Dalton seconded a motion fund this project as advanced to the Priority List. The motion carried unanimously.

6. Kane County Recreation & Transportation Special Service District (Kane County) [11:11]

Kane County Recreation & Transportation Special Service District's funding request was advanced to the Priority List as a \$1,500,000 grant. This project will consist of removing the existing 1.4 miles and reconstructing Alton Road to include 5,069 CY of excavation and 9,444 SY pavement pulverization of the existing road, 33,222 SY Geogrid TX5, 1,950 CY granular borrow, 4,387 CY untreated base course, 6,750 tons ½" HMA, 11,250 SY 6" Roto mill, 18 driveway access, remove and replace 18" and 24" culverts, signs and pavement painting.

Total Funding Request: \$1,500,000 grant

The Board asked the applicant if they had approached Alton Coal for funding assistance.

The applicant said they will not be approaching Alton Coal for funding assistance, due to their continuing financial investment.

Mike Dalton made and Jack Lytle seconded a motion to fund this project as advanced to the Priority List. The motion carried unanimously.

7. Town of Tabiona (Duchesne County) [13:17]

The Town of Tabiona's funding request was advanced to the Priority List as a \$783,000 loan for 30 years at 0.0% interest and a \$1,825,000 grant (total \$2,608,000). This project will consist of constructing a new 150,000 gallon culinary concrete storage tank; installation of 3,300 feet 10" water line, gate valves and appurtenances from new tank to 4050 N and North Tabby Lane; replacing 3,300 feet 6" water line with 10" water line, gate valves and appurtenances from existing tank to 4050 N and North Tabby Lane; redeveloping the spring located new 1100 Mt. Tabby Road, water rights and rights of way negotiation and acquisition and installing 8,400 feet of 6" transmission line and gate valves to connect to existing storage tank.

Total Funding Request: \$2,608,000 (\$783,000 loan for 30 years at 0.0% interest and a \$1,825,000 grant).

The Board asked if the Town of Tabiona had increased their water rates as suggested at the December 12, 2019 CIB review meeting.

It was confirmed that there will be a rate increase in April and possibly after the project is complete.

Tooter Ogden made and Kyle Stephens seconded a motion to fund this project as advanced to the Priority List. The motion carried unanimously.

Gregg Galecki arrived at 8:45 am.

8. Castle Valley Special Service District (Emery County) [14:28]

Castle Valley Special Service District's funding request was advanced to the Priority List as a \$1,000,000 loan for 6 years at 2.5% interest and a \$772,000 grant (total \$1,772,000). This project will consist of development of the streets and city surface drainage system in Elmo, Cleveland, Huntington, Castle Dale, and Ferron; development of streets in Orangeville, Emery and in Clawson. The streets project will be in conjunction with UDOT at Main Street and Highway 10, and culinary water line replacement in Orangeville and Ferron. The applicant is contributing \$15,000 cash.

Total Funding Request: \$1,772,000 (\$1,000,000 loan for 6 years at 2.5% interest and a \$772,000 grant).

Bruce Adams made and Jack Lytle seconded a motion to fund this project as advanced to the Priority List. The motion carried unanimously.

9. Town of Tropic (Garfield County) [15:31]

The Town of Tropic's funding request was advanced to the Priority List as a \$393,000 loan for 30 years at 2.5% interest and a \$392,000 grant (total \$785,000). This project will consist of developing the Spring Creek Spring to increase flow, accommodate water use agreements to exchange non potable water for spring water, replace 4,105 LF of 4" and 6" pipes with 12" PVC pipe and fittings along 50 South from Bryce Way to 500 West and north along 500 West to 100 North, installing 330 radio read meters and software. The spring development will include 14,000 sq. ft. 40 mil polyethylene liner, 250 LF 8" collection pipe and fittings, 95 LF 8" pipe and fittings, 389 SY geotextile fabric, five 2" air vents, 650 LF stock fence and gates and 2 spring collections boxes. The applicant is contributing \$100,000 cash.

Total Funding Request: \$785,000 (\$393,000 loan for 30 years at 2.5% interest and a \$392,000 grant).

Naghi Zeenati made and David Damschen seconded a motion to fund this project as advanced to the Priority List. The motion carried unanimously.

10. Town of Minersville (Beaver County) [15:58]

The Town of Minersville's funding request was advanced to the Priority List as a \$300,000 loan for 30 years at 1.0% interest and a \$400,000 grant (total \$700,000). This project will consist of water system improvements to include developing an additional spring collection pipeline, renovating the spring pump system, constructing an additional chlorination room and chlorination system upgrades, replacing the existing pressure reducing valve (PRV) stations, upgrading multiple locations of cast iron pipe by installing 550 LF of 8" PVC C900 DR-18 Pipe and gate valves on 100 West from 300 South to 200 South; 650 LF 8" PVC C900 DR-18 pipe and gate valves on 500 South from 300 West to 400 West; installing 1,800 LF 10" PVC C900 DR-18 pipe and gate valves on 100 West from 300 South to 400 South, 400 South from 100 West to 200 West and 200 West from 400 South to 500 South; installing 1,800 LF 8" PVC C900 DR-18 pipe and gate valves transmission pipeline from booster to PRV.

Total Funding Request: \$700,000 (\$300,000 loan for 30 years at 1.0% interest and a \$400,000 grant).

Bruce Adams made and Mike Dalton seconded a motion to fund this project as advanced to the Priority List. The motion carried unanimously.

11. Millard County (Millard County) [16:27]

Millard County's funding request was advanced to the Priority List as a \$250,000 loan for 30 years at 2.5% interest and a \$250,000 grant (total \$500,000). This project will consist of a new care center dining room by expanding the existing building to include a hallway and create a 1725 sq. ft. room with new exterior walls, a new roof, climate control, lighting, plumbing, doors and windows, concrete power, safety engineering.

Total Funding Request: \$500,000 (\$250,000 loan for 30 years at 2.5% interest and a \$250,000 grant).

Tooter Ogden made and Naghi Zeenati seconded a motion to fund this project as advanced to the Priority List. The motion carried with Gregg Galecki opposed.

VII. SUPPLEMENTAL REQUEST

1. North Emery Water Users Special Service District (Emery County) [17:03]

At the February 7, 2019 CIB Funding Meeting, the Board authorized a \$216,000 loan for 25 years at 2.5% interest and a \$215,000 grant (total \$431,000) to the North Emery Water Users Special Service District for the North Cleveland Loop line improvements. This project will consist of design and construction of 2 miles of 8" culinary waterline, pressure reducing valve and vault, valves, 60' of boring and casing and connection to existing water line and existing storage tank.

At the February 6, 2020 Funding Meeting, the North Emery Water Users Special Service District presented a supplemental request of \$70,000 (a \$35,000 loan for 25 years at 2.5% interest and a \$35,000 grant) to cover a monetary shortfall resulting from alignment changes made in September 2019. The re-alignment resulted in an additional 700 feet of pipe, easements and right-of-ways, as well as road repair work due to ground water issues.

The Board expressed concern that the project was bid without all required rights of way and asked if they had utilized the same engineer through the entire project and asked at what point they knew there was a shortfall.

The applicant indicated they had 'verbal' agreements. The project manager changed part way through the project and the project was completed as revised.

It was noted by CIB staff that because the loan was closed in October 2019, a new bond would be necessary with inherent bonding expenses.

Dean Baker made and Naghi Zeenati seconded a motion to approve this funding request as a \$70,000 supplemental grant.

The Board suggested the shortfall would be project management oversight and offered a substitute motion.

Gregg Galecki made a substitute motion to fund this project as a \$76,000 loan for 25 years at 2.5% interest. The motion failed due to lack of a second.

Chairman Hardy called the question.

Dean Baker made and Naghi Zeenati seconded a motion to fund this project as a \$70,000 supplemental grant. The motion carried with Gregg Galecki opposed.

IX. BOARD MEMBER DISCUSSION and/or ACTION ITEMS [33:19]

1. CIB Board Funding Criteria

Paul Moberly reviewed the funding criteria tool intended to assist the applicant and the Board through clarifying standard guideline criteria for consistent funding decisions. The Board approved the proposed criteria, as written, noting it can be updated and changed (with Board Review and vote) suggesting revision dates at the bottom of the pages.

The Board expressed their appreciation to Paul Moberly and staff for their efforts and time spent to establish these criteria.

Tooter Ogden made and Dean Baker seconded a motion to approve the Funding Criteria as discussed. The motion carried unanimously.

2. CIB Policy Meetings Location -- Kanab, Utah -- June 11-12, 2020 [01:12:55]

CIB Policy Meetings have been scheduled for June 11-12, 2020 in Kanab, Utah (Kane County). Further details and specifics will be given at the next meeting of the Board.

ADJOURNMENT

The next meeting of the Permanent Community Impact Board will be April 2, 2020 at the DWS Office, 1385 South State Street, Room 157, Salt Lake City, Utah.

The meeting adjourned at 9:46 a.m.

Submitted by:
Pamela Sjostrom
Candace Powers

February 6, 2020