

**PERMANENT COMMUNITY IMPACT FUND POLICY MEETING**  
 Department of Workforce Services  
 Housing and Community Development Division, Salt Lake City, Utah  
 Duchesne City, Utah  
**MINUTES**  
 June 6-7, 2024

**Members Present**

|                   |  |
|-------------------|--|
| Curtis Wells      | Chairman   |
| Laura Hanson      | Governor's Office of Planning and Budget           |
| Bruce Adams       | Southeastern Utah Association of Local Governments |
| Naghi Zeenati     | State Transportation Commission                    |
| Greg Miles        | Duchesne County                                    |
| Jack Lytle        | Uintah Basin Association of Governments            |
| Dean Baker        | Uintah County                                      |
| Jerry Taylor      | Five County Association of Governments             |
| Scott Bartholomew | Six County Association of Governments              |
| Ralph Brown       | Sevier County                                      |

**Excused Board Members**

|             |                 |
|-------------|-----------------|
| Kirt Slaugh | State Treasurer |
|-------------|-----------------|

**Staff and Visitors**

|                    |                                   |
|--------------------|-----------------------------------|
| Candace Powers     | Housing and Community Development |
| Heather Poulsen    | Housing and Community Development |
| Paul Moberly       | Housing and Community Development |
| Christopher Pieper | Attorney General's Office         |
| Skyler Davies      | Division of Water Quality         |
| Michael Grange     | Division of Drinking Water        |

**Virtual Attendees**

|                |  |
|----------------|--|
| Kaylee Beck    | Department of Workforce Services         |
| Brittany Hardy | Department of Workforce Services         |
| Ron Winterton  | State Senate/Duchesne County             |
| Tyler Timmons  | R6 Six County Association of Governments |
| Cade Penney    | R6 Six County Association of Governments |
| Gary Zabriskie | Five County Association of Governments   |

The Permanent Community Impact Fund Board (CIB) Policy Discussion Meeting was held on Thursday, June 6, 2024 at the Duchesne Co Centennial Event Center ~ 60 West 400 South ~ Duchesne Utah and was called to order at 11:27 a.m. by Chairman Curtis Wells.

Meeting documents: [https://hcd.granicus.com/ViewPublisher.php?view\\_id=1](https://hcd.granicus.com/ViewPublisher.php?view_id=1)

**June 6, 2024**

**CIB Loans, Taxes and Bonds 101 - Bill Prater, Bond Counsel**

The Board was presented with a synopsis of how CIB loans are allocated through the bonding process. Types of bonds and debt was presented and discussed.

**[31:17] Oath of Office, Open Meetings Act, Ethics, Grama, Per Diem, Conflict of Interest; Chris Pieper, AG's Office**

Chris Pieper, AG's Office noted taking the Oath of Office is required under the Utah Constitution Article 4 Section 10 that officers of the State of Utah take the oath. The oral oath was administered followed by each Board member signing before the notary in attendance.

*LUNCH – Reconvened 1:07 pm*

**Open Meetings Act (OPMA – JeoParody Game)**

Christopher Pieper indicated the JeoParody (*name changed to avoid copyright infringement*) has been created to allow a question and answer review of the requirements of the Open & Public Meetings Act through the use of the interactive game. The Board was engaged and informed on the requirements of OPMA.

**Conflicts of Interest, GRAMA, Per Diem** [1:12:58]

Mr. Pieper discussed conflicts of interest and Board immunity when acting in the capacity of the Board. CIB statute indicates this Board must comply with Utah Code **63G-24-301**. Mr. Pieper recommended the Board to be aware of their responsibilities and noted the provision in the code allows public officers to be compensated for assisting with transactions but it must be disclosed. The conflict of interest forms completed during the meeting.

**DWS Finance - Financial Outlook ~ Projections ~ Revenues and Allocations**

Brittany Hardy, DWS Financial Manager reviewed the Revenues and Allocations, income and financial outlook and graphs contained in the 2024 Policy Manual were reviewed. It was noted that the revenue trend is down. Loans have kept the fund revolving. In FY2024, 64% of the funding for projects came from returned program income and 36% was new revenue income.

*The **Bonus Fund revenue** is the lease payments on federal land. 70% is deposited into the Permanent Community Impact Fund. 30% of mineral lease bonus payments legislative discretion and includes deposits into the Wildland Fire Suppression Fund up to \$2,000,000 but not to exceed 20% of the amount expended in the previous fiscal year from the Wildland Fire Suppression Fund*

*The **Mineral Lease Fund** is from resources being developed on federal land. CIB receives 32.5% of that revenue. The revenue also is dispersed per statute 59-21-1.*

*The impact board shall allocate from the impact fund to the department those funds that are appropriated by the Legislature for the administration of the impact fund, but this amount may not exceed 2% of the annual receipts to the impact fund. DWS finance holds 2% at the beginning of the fiscal year and at the end of the year, whatever is not spent is rolled back into the mineral lease account.*

**Policy Book FY2024** [1:35:00]

Chairman Wells noted the 2024 CIB Policy Manual is in the Board packet.

Ms. Hanson asked about policy meeting amendments and the process for suggesting a defined policy and requested written policy concerning supplemental funding.

Chairman Wells indicated the funding tool has incorporated the suggestions of the Board.

Ms. Hanson noted historically the supplemental funding has been allocated within the same terms as original funding with no discussion of terms required; what is the policy about renegotiating terms of projects placed on the priority list at the funding meeting. There should be written documentation of the policy for items placed on the priority list as well as supplemental funding. Also, should items on the priority list be considered as one motion at the funding meeting or each individually? A written policy on that would be good.

Commissioner Lytle stated there should be some discussion where the Board agrees and there could be a motion to lump the projects into one funding motion. He wasn't certain there needed to be a written policy; but to allow for possible deviations; he noted at times the projects are lump-able but there could be a motion to do so.

Chairman Wells suggested some policy be written and presented for consent at the September meeting. He indicated that if the Board has other thoughts through the next few weeks, to email staff and it may be on the agenda for consideration.

Mr. Pieper stated that policy can be changed by a motion of the Board.

Commissioner Lytle clarified this is policy and not rule which requires a process. He suggested the policy also reference a rule it aligns with or if it does not, it is at the Board's discretion.  
*[1:43:34] to [1:46:50] Audio Chatter*

**Discuss & Finalize New Funding Tool.** [1:46:50]

Paul Moberly discussed the and finalized the funding tool as constituted through Board input; 10 Board members responded to the survey for the new tool.

The Board recommended that consistent recommendations should be built into the tool to require fewer exemptions.

The Board determined the following categories and weighting (points) as guidance:

- PRODUCTION 32
- PUBLIC LANDS % 15
- POPULATION 8
- CURRENT TAXES 5
- PROJECT TYPE 12
- RATES AS % OF MAGI 3
- PRIORITIZATION 5
- DEBT SERVICE % 8
- EXT FUNDING % 5
- MAGI 5
- REV TO AWARD 2

**Dean Baker made and Laura Hanson seconded a motion to adopt the revised tool for one year. The motion carried with the chairman abstaining.**

*The Board discussed what to call the funding tool. It does not have to be called a tool, but the Board knows what it is. The Board suggested it was a model.*

The Board reviewed projects and numbered the type of projects for use in the funding model.

| CATEGORY                        | CURRENT PRIORITY |
|---------------------------------|------------------|
| Culinary water                  | 5                |
| Sewer                           | 5                |
| Consolidated Project            | 4                |
| Emergency Vehicles              | 4                |
| Fire Stations                   | 4                |
| Firetrucks                      | 4                |
| Transportation (roads, bridges) | 4                |
| Essential Buildings             | 4                |
| Health Buildings                | 3                |
| Public Safety Buildings         | 3                |
| Stormwater                      | 3                |

|                           |   |
|---------------------------|---|
| Plans & Studies           | 3 |
| Solid Waste (landfill)    | 3 |
| Telecommunications        | 3 |
| Airport                   | 2 |
| Irrigation / Secondary    | 2 |
| Misc. Vehicles            | 2 |
| Non-Essential Buildings   | 2 |
| Cemetery                  | 1 |
| Education / Communication | 1 |
| Recreation & Culture      | 1 |
| Misc                      |   |

The Board determined the points for the tier category:

| Tier | Points |
|------|--------|
| 1    | 0      |
| 2    | 3      |
| 3    | 6      |
| 4    | 9      |
| 5    | 12     |

### **AOG Regional Planning One List**

Suggested: The CIB application list become part of the “One List” for CDBG and CIB.

The CASI (Capital Asset Self Inventory) has been a requirement to be listed on the CIB application list which is a repository for the information.

The One List will be all the proposed projects within the CASI document.

- *Termed “Regional Consolidated Project Lists” (RCPL), these lists incorporate the prioritized projects from each entity’s CASI document.*
- *The RCPL will be compiled, but not prioritized by county and will encourage regional coordination through each association of government.*
- *There will be one-year and five-year elements to the RCPL, pulled from the CASI.*
- *The RCPL will replace the existing CIB Application List and CDBG Community Investment Plan.*
- *The intent is to enable one county-level list which can be used for the purposes of both programs.*

[3:34:00] The CIB application list is in rule which includes prioritization by the entity and the county. Some Board members expressed appreciation for the prioritization as it facilitates communication and others indicated prioritization does not have any impact.

Having ‘One List’ keeps the prioritization similar for both CIB and CDBG.

### **Small planning grants – CIB Report on annual small planning funding** [3:52:55]

The Board has authorized the Community Development Office Team (Currently Paul Moberly and Michael Mowes) to receive and review small planning grant requests under 50,000.

Complete planning applications are put through an interview process.

The funding may be expedited within 60 days

THE Board provides review of planning requests over \$50,000.

#### **SMALL PLANNING GRANTS AWARDED FY2024**

- Fountain Green City - Sewer Master Plan - \$28,800
- Sterling Town - Water Master Plan - \$15,000
- Richmond City - Sewer & Water Master Plan Update - \$50,000
- Nibley City - Storm Water Master Plan - \$30,000
- Hyde Park City - Storm Water Master Plan - \$15,000
- Logan City - General Plan - \$50,000

- Castle Valley Town - Water Budget Study - \$9,000
- Duchesne City - 2024 City Master Plan - \$50,000
- LaVerkin City - Secondary Water Master Plan, Impact Fee, Facilities & Impact Fee Analysis - \$46,000
- Moab City - Downtown Master Plan - \$50,000

**Small Planning Grant Funding Total: \$343,800**

### **REGIONAL PLANNING PROGRAM REPORT FY2024**

CIB provides \$150,000 to 5 AOG's annually for regional planning activities which have been reported to include:

Community Connection, Capital Improvements Planning Support, CASI Assistance, Application List Support, Applicant Support, Evaluation & Monitoring, Other Regional Priorities.

In summation; the program helped over 158 entities (1,327 activities) with CASIs, CIB applications, CIB Application Lists, and other activities.

In FY2025, the full-time equivalent requirement and the percentage of time spent on outside activities will be removed from the RPP scope of work in coordination the Governor's office and GOPB. The "One List" will be required. Planners may use the funds to assist in community outreach and planning. *The Board authorizes the funding for 5 years with an annual contract which includes a scope of work.*

**Scott Bartholomew made and Jack Lytle seconded a motion to amend the RPP scope of work removing the full-time equivalent requirement and the percentage of time spent on outside activities. The motion carried.**

Thursday, July 6, 2024 Policy Meeting Sessions adjourned at 4:30 pm.

Friday, July 7, 2024 Policy Meeting Sessions convened at 9:03 am.

Chairman Wells expressed appreciation for the hosted dinner and music provided by Duchesne County.

Commissioner Miles gifted a piece of honeycomb calcite; the State stone is mined in Duchesne County. He also noted that gilsonite from Uintah County was discovered in Duchesne County in 1868 by Sam Gilson as they were looking for coal to burn in their wood stove. Gilsonite was found which looks like coal but it liquified in the stove and nearly burned down the shed. Gilsonite is a very versatile and used in 160 different products; Coal will disintegrate in place; Gilsonite liquifies.

### **CIB Water and Sewer Reviews & Understanding DEQ** [21.00]

Chairman Wells invited the Department of Environmental Quality representatives to present.

- CIB Water Projects – DEQ Review & understanding Michael Grange
- CIB Sewer Projects – DEQ Reviews & understanding Skyler Davies

*Michael Grange is the fund manager for the Division of Drinking Water within DEQ and Skyler Davies, staff engineer with the Division of Water Quality.*

The DEQ Memorandum of Agreement with the Permanent Community Impact Fund Board was noted which indicates DEQ will review all water and sewer related projects that come before the CIB.

The reviews were explained as was MAGI (Median Adjusted Gross Income) which is how they determine eligibility for grant or subsidy in the programs. Included in that review they make a recommendation to fund most of the time if it is a worthwhile project, protects the environment and meets the requirements through the Safe Drinking Water Act or Clean Water Act. Funding determination is made by the CIB. DEQ requires plans and specifications are submitted for review and approval.

The minimum rate for grant consideration is 1.4% of MAGI for DWQ and 1.75% for DDW.

They have adopted a policy to consider unemployment data, poverty status. If the data shows in the bottom 20% of the area population and their 10-year population trend.

Ms. Hanson noted that is a robust way of calculating the financial hardship of a community and suggested incorporating a similar calculation in the funding tool.

Mr. Moberly stated in earlier iterations of the tool there was a financial health calculator. The Board removed it as there was a potential for better funding terms if the entity was fiscally responsible.

Mr. Grange clarified the reason DEQ chose to go with MAGI and not census; the census happens every 10 years. The MAGI data is only 2 years old. The Justice 40 initiative has been supported by agencies including the Environmental Protection Agency to explore and implement ways where disadvantaged communities receive at least 40% of the benefit of Federal dollars.

Commissioner Adams asked when water project applicants go to the Division of Drinking Water, but then indicate they are going to CIB as it has been deemed the 'easy money' and the terms offered by DDW are not preferable; does DEQ want CIB to fund a lot of water projects?

Christina Oliver then referred to HB280 which requires all water funding partners to work together. She is part of that working group and eventually the outcome will be prioritization of how to rank water project applications and relationships of those funding entities will be defined within that working group.

Commissioner Lytle noted that sometimes it saves CIB and DDW to co-fund a project but there are times when applicants play the system.

DDW provides their funding package information to staff so that CIB knows what was offered and is indicated in the "issues" on the agenda notes.

Commissioner Miles noted that occasionally a project will come in that has not had good planning such as consideration of fire flow and asked how DEQ handles that.

Mr. Grange stated they rely on the system and their engineer; DDW recommends using an engineer DDW also provides for the planning up to \$100,000 for a project. DDW does not tell the system what they need. If there is something amiss in the application, DDW will discuss it with the entity.

The Board indicated that elected or city officials don't have enough background knowledge to ask important questions and know what they actually need versus what they want and asked if DEQ does feasibility studies for communities.

Mr. Grange indicated they provide funding for a feasibility study, sometimes referred to as an engineering study or an engineering planning study. Mr. Davies indicated only if the study will lead to a project, DWQ may fund it.

Ms. Hansen expressed appreciation for the DEQ reports and suggested engaging UDOT for similar reports on road projects.

Mr. Zeenati indicated that if it is a State road UDOT will get involved to assure it is up to STATE and federal standard. If it is a local community road, UDOT will get involved if asked.

It was noted that the Board had previously engaged UDOT to officially review road projects. The UDOT reviewed projects through an independent engineer and the cost was prohibitive. The Board opted out of that process.

Mr. Zeenati noted that local regional directors are available and willing to help with any road issues.

Mr. Grange spoke to HB280 which is to have a more consolidated approach to prioritization of funding of water projects throughout the State; more coordination, as was mentioned.

The Board thanked DEQ for their presentations. [2:23:00]

It was noted that language would be routed for the rule change concerning the CIB Application List and the One List. It may be ratified at the September 5, 2024 CIB Meeting.

**Upcoming Meeting dates and Locations**

September 5, 2024 – 1385 South State Street, Salt Lake City, Utah

**ADJOURNMENT** [2:25:03]

The meeting adjourned at approximately 11:49 AM.

Submitted by:  
Candace Powers