

**MINUTES OF THE  
SALT LAKE CITY MOSQUITO ABATEMENT DISTRICT  
25 April 2024  
BOARD MEETING**

Presiding: Dr. Shireen Mooers, Chair

Time: 12:31 p.m.

Place: 2215 North 2200 West, Salt Lake City, UT 84116

Trustees Present: Dr. Shireen Mooers, Chair  
Amanda Barth, Vice-Chair  
Carlton Christensen (Attended virtually. Left after Item 3)  
Van Turner (Attended virtually. Joined the meeting at 1:02 p.m. during Item 2)  
Neil Vickers, Ph.D.

Others Present: Ary Faraji, Ph.D., Executive Director  
Gregory White, Ph.D., Assistant Director  
Aleta Fairbanks, CPA, CFO  
Robert Pinon, AIA, Vice President, MHTN Architects (Left after Item 3)  
Gregory Beecher, AIA, Project Manager, MHTN Architects (Left after Item 3)  
Robert Czubak, MOCA Systems (Left after Item 3)  
Erik Daenitz, Vice President, Zions Public Finance (Left after Item 3)  
Brian Baker, Vice President, Zions Public Finance (Attended virtually. Joined the meeting during Item 2; left after Item 3)  
Susie Becker, Vice President, Zions Public Finance (Attended virtually. Joined the meeting during Item 2; left after Item 3)

**1. Roll Call:**

Trustee Mooers called the meeting to order at 12:31 p.m. and confirmed that the meeting was being recorded. No conflicts of interest were declared.

**2. Update and Presentation by MHTN Architects:**

Robert Pinon and Gregory Beecher reviewed / discussed the overall trajectory of the project with the Trustees. About 85% of the designing process has now been completed; the lab building, hangar, and heliport have been designed to allow expansion in the future. Robert Czubak noted that the City has approved a conditional use permit

allowing the flight operations, and we have also received authorization from the FAA. The current cost estimate of the project is nearly \$18,000,000. The Board once again indicated that they would prefer to conduct the entire construction with one process and financial forecasting and input from Zions Public Finance (ZPF) will help determine the most economical and efficient process for the District.

### **3. Discussion and Approval of Financial Forecasting and Future Financial Needs of the District:**

Erik Daenitz, ZPF, discussed the financial analysis undertaken to forecast the District's future financial needs. He explained how mill levy rates (certified tax rates) decrease each year, which keep property tax income stagnant even when property values increase. Property tax income remains the same year after year if there is not enough new growth, which necessitates a tax increase to at least cover inflation and keep the District financially healthy. Furthermore, new growth increases do not always match increasing inflation costs. Based on the recent inflation trends, the model is assuming a 5% inflation increase annually. However, new growth has been around 2% per year. This means that the recurring revenue has been losing ground and will eventually be unable to cover operating expenses, with or without the capital project plans.

Key factors in the District's favor are a strong fund balance that can be utilized in a variety of ways and also the effect of paying lower bond rates on borrowed funds while receiving higher interest rates on savings in the Public Treasurer's Investment Fund. Several financial scenarios expending different amounts of the current capital projects fund balance portrayed how these rates greatly affected project cost and flexibility.

Brian Baker, ZPF, discussed how the 2017 and 2018 bonding had transpired. The 2017 bond was a *market transaction* that is legislatively restricted and cannot be restructured for ten years. Because we are currently in a high interest market, a market transaction would lock us into paying higher interest rates for ten years. However, by structuring the 2018 bond as a *direct placement* bond with the Bank of Utah, the bonds were callable at any time. The District was able to redeem the bonds and refinance the debt in 2020 at much lower interest rates, thus saving the residents close to \$2 mil over the life of the bond. Direct placement is currently an attractive option not only because bond rates are high and will hopefully come down in the future, but also that we can receive more interest income from our cash on hand because it is currently earning income at a higher rate than it would be paying on the bond debt. We can then refinance and perhaps even lower the debt amount at a time when the interest income rate drops below the bond rates. Interest income from current cash on the books is not encumbered by arbitrage laws.

The Trustees asked more questions about the difference between the scenarios, bonding debt, and what percentage tax increase would be needed to supply enough funds to meet future operational obligations. Executive Director Faraji had previously recommended that the Board consider much smaller tax increases, similar to other taxing entities, in order to keep up with inflation and rising costs, versus waiting 7-10 years and conducting a larger tax increase. He stated that he serves at the discretion of the Board and will pursue what is asked of staff, however, double digit increases are worrisome as staff is responsible for communications and interactions with the public and other entities.

Nevertheless, the current financial forecasting discussions not only consider rising costs and inflation, but also a construction project for the future growth of the District. After considerable discussion, Trustee Christensen made the motion to proceed with the full construction plan that was previously presented by MHTN Architects and that we tentatively look at a 19½ percent tax increase based upon the financial model that was presented by ZPF as a pending tax increase pursue appropriate actions. The motion was seconded by Trustee Barth. The following roll call vote was taken: Neil Vickers, yea; Amanda Barth, yea; Van Turner, yea; Carlton Christensen, yea; and Shireen Mooers, yea. The motion passed unanimously.

A short break was taken at 1:50 p.m. The meeting was reconvened at 1:52 pm.

**4. Approval of the 21 March 2024 Minutes of the Board of Trustees:**

The pending minutes of March's regular Board Meeting had been distributed to the Board Members prior to this meeting, and no modifications were necessary. Trustee Vickers made a motion to approve the 21 March 2024 Minutes of the Board of Trustees; the motion was seconded by Trustee Barth and carried with a unanimous vote.

**5. Presentation of the March 2024 Financial Statements and Approval of Bills for Payment:**

March's Financial Statements had been given to the Trustees for review earlier in the week. CFO Fairbanks noted receiving the following items: \$20,000 from MAD-Davis for the track vehicle, \$500 publication fee reimbursement from U of U Science Research Initiative, and \$960.24 from DSLASA for 2023-2024 router service. Interest income of \$77,012.75 was distributed between the General Fund and Capital Projects Fund, and \$342,334.03 was expended. Because funds to make the bond payments were transferred early from the Capital Projects Fund, around \$2,000 in interest was deposited into the Local Building Authority's bank account by U. S. Bank. Documentation for all expenditures was made available for the Trustees to review. There were no questions / comments about the financials, and Trustee Barth made a motion to approve the March 2024 Financial Statements and bills for payment. Trustee Vickers seconded the motion, and it passed with all in favor.

**6. Update on SLCMAD/RaHP VEC and UMAA Workshops, May 8-10, 2024:**

Plans are under way for the two-day Rockies and High Plains Vector-borne Diseases training and evaluation center (RaHP VEC) workshop running the 8<sup>th</sup> and 9<sup>th</sup> of May 2024 at the District. A schedule of the available training was given to the Trustees, and they were invited to participate. Representatives from Colorado, Utah, Wyoming, Nevada, New Mexico, and the Texas panhandle will be in attendance to learn about Integrated Mosquito Management. Unfortunately, the entities that have the greatest need for the training have not registered yet for the workshop. We are planning on hosting about 100 people on each day.

The UMAA Spring Workshop will be held on Friday, the 10<sup>th</sup> of May, and it looks like we'll have close to 200 persons in attendance. This imperative annual training is provided to all of Utah's mosquito districts' full-time and seasonal staff members.

We will have three visitors from Colorado's Grand River Mosquito Control District (including our previous director, Sammie Dickson, who is now a Trustee at that district) staying in the dorm Monday night through Friday. They'll shadow us in the field on Tuesday to see how we conduct our operations, and then they'll participate in both workshops.

Michael Bollinger from the Pacific Southwest Center of Excellence will also be staying at the dormitories during the workshop.

Additionally, Sriman Samake, from the University of Bamako in Mali, will also be staying at the dormitories and attending the workshop.

## **7. Report on Attended and Reminder/Approval of Upcoming Training/Meetings:**

The Trustees were invited to make comments and/or ask questions about the following training/meetings:

- **Davis-Salt Lake Aerial Spray Authority, 28 March 2024**

This meeting has still not been scheduled by current DSLASA Executive Director Gary Hatch.

- **Pacific-Southwest Center of Excellence, 3-5 April 2024**

Molecular Biologist Byers attended and presented at the Pacific-Southwest Center of Excellence Conference. Trustee Vickers and Executive Director Faraji (virtually) also attended these meetings. Salt Lake City may possibly be hosting the PacVec meetings in 2026.

- **ESA Pacific Branch, 14-17 April 2024**

Executive Director Faraji attended and presented at this meeting. The Pacific Branch meetings will be held in Salt Lake City during 2025, and our facility will be included as a field trip site during that event. It is possible that we may also provide a training session and tour at our facility. We are assisting with local arrangements and hosting during the 2025 meetings.

- **Florida Fly In, 16-18 April 2024**

Aerial Operations Director Sorensen participated in the Florida Fly In meeting, and he recapped the highlights of this informative meeting with Executive Director Faraji and Assistant Director White.

- **SLCMAD/CSU/RaHP VEC Tec Workshop 8-9 May 2024**
- **UMAA Spring Workshop, 10 May 2024**
- **AMCA Washington Days, 13-15 May 2024**

Executive Director Faraji and Education Specialist Rehbein will be assisting by discussing areas of concern and mosquito control interests with legislative leaders at the AMCA Washington Days event.

## **8. Executive Director's Report:**

In addition to the Director's Report that was distributed to the Trustees, the Board Members were given a brief update and/or discussed the following: 1) A copy of the revised Table of Organization chart was included in this month's Director's Report. The Operations Supervisor title has been removed, Brad Sorensen has been promoted to the Aerial Operations Supervisor position, and Quinten Salt has accepted the Urban Field Supervisor position. Jason Hardman is now the Rural Field Supervisor, and his position is currently being assisted by a promoted seasonal Vector Control Technician who has completed his schooling and has agreed to work the longer mosquito season with us this year. Fortunately, utilizing a promoted seasonal VCT (working at \$25 an hour) this season will allow us to see if our current Table of Organization is functioning as hoped. 2) Assistant Director White has successfully hired 39 seasonal workers to date, three of whom are females working on the rural ATV team, a first for our rural operations. We are still struggling to find two good applicants to work as seasonal drone pilots. We request that they already have the Part 107 License, which is the basic commercial flying license. 3) Dr. Norah Saarman, Utah State University, has just been given notice that her seed grant proposal, "Genetics and Adaptive Management of Insecticide Resistance in *Culex* Mosquitoes in Utah" has been selected for funding. Dr. Saarman's student, Emily Calhoun, will be working out of our facility. We will not receive any financial benefits from this grant, but it will be beneficial for us because they're working on an insecticide resistance issue we are experiencing with our *Culex* populations in our catch basins. 4) The Director's Report also included a copy of the District's signed Professional Services Agreement For Project/Program Management Services Amendment #002 with MOCA, our Owners Representative. 5) Executive Director Faraji has received communication from the Salt Lake City Council indicating that Senator Luz Escamilla will most likely be appointed to our Board of Trustees as early as 7 May 2024. 5) The surveillance data from 4/16/24 and 4/22/24 was circulated among the Trustees.

## **9. Probable Agenda Items for 23 May 2024 Board Meeting, 12:30 p.m.:**

- Executive Director's Report
- Construction Updates
- Grant Updates
- Bond Counsel Update

**10. Public Comment:**

There were no members of the public present at this time.

**11. Adjournment:**

Trustees Barth and Turner made and seconded a motion to adjourn the meeting at 2:30 p.m., which passed unanimously. The next Board Meeting will begin at 12:30 p.m. on 23 May 2024.

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Ary Faraji, Executive Director

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Date

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Dr. Shireen Mooers, Chair

\_\_\_\_\_  
Date