SANPETE COUNTY SPECIAL SERVICE DISTRICT NO, 1

May 19, 2026

11:00 A.M.

Members present for the meeting are Chairman Commissioner Scott Bartholomew, Ben Black, Doug Christiansen, and Robert Staker. Stan Jensen asked to be excused. Secretary Kristine Frischknecht-Christensen and Treasurer Brett Casperson are present. Road Department Supervisor Tom Seely is present and Garrick Willden and Brett Brayden are present representing Jones and DeMille Engineering.

Meeting is called to order by Chairman/Commissioner Bartholomew.

Minutes for the meeting held in April were distributed prior to the meeting. Upon review, a motion is made by Robert Staker to approve the minutes with minor corrections. The motion is seconded by Ben Black and the motion passes.

Claims that were submitted are considered for approval as follows:

Kristine Frischknecht (Meal)	$73.28
Sanpete County (Dust Suppression)	$57,663.02
Jone and DeMille (Dust Suppression)	$5,670.00

Motion is made by Doug Christiansen to approve the above listed claims. The motion seconded Robert Staker and the motion passes.

A financial report is given at this time. The board has budgeted $100,000.00 for each of the four quarterly mineral lease payments we receive each year. The payment that was just received for this quarter was $79,662.33 which is under what was estimated. There were funds received from SSD#3 in the amount of $2,562,360.78. Additionally, the board received $1,400.00 in additional mineral lease and $195,484,92 from Secure Rural School Fund. Garrick reminds the board that the Sugar Factory Road project was under estimated and line item 28 on the budget sheet was increased in the amount of $743,267.55 to fund the project. He states that there will be a pre-construction meeting June 1, 2026 at 8:00 a.m. The current unobligated amount is $2,106,300.71. There is a question about forth coming funding from SSD#3. The funds have not been coming to SSD#3 due to the flood at the mine. Tom reports that they will begin mining in the next 30-60 days in a different area but it will not affect us as far as getting funding because it will be on the Carbon County side. There is discussion about our loan payments and that there will be a new ongoing payment that we have not had until this year for the Moroni T Road in the amount of $110,000.00 per year. With the possible decrease in the federal mineral lease, the uncertainty of Secure Rural School and likelihood of no funds coming from SSD#3, the board will need to be conscientious about spending with limited funds. A motion is made by Ben Black to approve the Financial Report. The motion is seconded by Robert Staker and the motion passes.

Doug Christiansen asked that Newman Lane be put on the agenda for discussion. His intention is to make a motion relative to paving this road. He believes that this board should not allow one or two property owners to stop the improvement of this road. Garrick states that there are two people who won't give right of way and that is what stopped the project. Jones and Demille has surveyed this and ready to secure rights of way. The board spent sufficient funds getting to this point and then the project was dropped for the lack of participation of the two property owners not giving right of way to make 66 ft the entire length of the project. Doug suggests that the road be done in spite of this. Tom states in the new county ordinance a person cannot build without a giving up the right of way in the future. One of the property owners that will not give the right of way cannot sell the lot in the future for building unless she gives the right of way. Commissioner Bartholomew expresses concerns about oiling this road without the right of way due to the location of the utilities. Doug Christiansen believes that if the utilities are under pavement that the utility has the obligation to restore it if they have to disturb it. Doug makes a motion that this road be put on the road list to be cold surfaced, that the rights of way be purchased from those willing and then to proceed with the project as funds become available. Commissioner Bartholomew disagrees. The property owner has expressed that she wants to sell the property and they believe that when she does, she will have to give the right of way. Doug asked the Road Supervisor for his opinion on paving the road. Tom states that he believes that it should be left as is until the right of way can be obtained. He believes that it would open the door for other problems if there is a deviation from the policy and what is required in the ordinance. Doug Christiansen withdraws his motion. Garrick will talk to the two property owners again to see if they understand everything and if they have had any change in their thinking about allowing a purchase of their property for the right of way.

North Sugar Factory Road Phase I is discussed. Garrick gives an update on the project. He mentioned earlier in the meeting that there will be a pre-construction meeting. The Contractor will bring a schedule to the meeting but Garrick has heard that they want to start on the project the middle of June. Garrick states that they have been working with Rocky Mountain power to move some poles, which has to be done ahead of time. The Bridge Contractor, Carlisle Excavation, has some irrigation lines and bridge demolition to finish. The Irrigation has to go in before the road is done but the bridge can't be demolished until the road is done. Commissioner Bartholomew asks about the high-pressure gas line. Garrick states that it will not be moved but they will have someone there every day to watch and make sure there are no problems. Garrick states he has had discussion with Gunnison Telephone and Centra Com and once things are roughed in, they will come and put in their new lines.

Road Supervisor Tom Seeley is requesting additional funding for the Washout Building that is being constructed on the Road Department property. The building is two bays, one to wash the trucks and the other to service the trucks. Line item 31 in the budget is the amount the board had budgeted to help with this project. The amount is $100,000.00. In order from Tom to complete the building, he will have to cut down on his county road projects and maintenance. He is asking the board for an additional $800,000.00 for a total of $900,000.00. The total cost of the building is $1,700,000.00. Tom discusses the need for the building. Water has been draining across the road to the west on the neighboring property. He explains that it is difficult with the current circumstances and the trucks have to be washed every time they use them. Tom believes that this will save the County money as it will limit liability and negate problems with EPA compliance and the possibility of a fine. The building is almost complete. They anticipated taking the funds to pay for it from SSD#3 until the flood happened at the mine and funds were stopped. Doug asks about why the Commission is not funding this. Commissioner Bartholomew states that they have put a lot of funding into the road department budget to buy equipment the past couple of years. The equipment has been used on some of this board’s projects. Doug Christiansen asks Commissioner if the County is our guarantor if we don’t have the funds to meet our obligations. Commissioner Bartholomew states that they would have to be. Doug asks what our current ongoing obligations are. North Sugar Road is not financed by loans and is paid through grants so there will be no ongoing financial obligation for that project. The board has an ongoing payment for the Gravel Pit Road in the amount of $43,000.00. There is $86,000 left to pay this loan off. There is a new ongoing payment in the amount of $110,000.00 per year for Moroni T Road. The board has approximately 1,600,000.00 in debt and approximately 2,100,000.00 that is unobligated. The board would have roughly $500,000.00 that they could use. Doug believes our first obligation is to keep the board solvent. Ben is concerned about what our future funds might be. Robert Staker asks about what we believe our income would be for next year. No one is certain but we should get at least $400,000.00. The project will be complete in a month and the money due for the project. In the budget line item#30, the board approved $160,000.00 for a project with the Road Department to work on water crossings which could be used for the building. The board budgeted $100,000.00 to contribute to the building cost. An additional $500,000 could come from the unobligated funds. The board would still have sufficient funds to pay off loans which do not have to be paid in full at this time. Doug suggests giving $500,00.00 and $160,000.00 which would be a total of $660,000.00. Doug asks if the Commission could come up with the rest and Commissioner Bartholomew explains that the County does not have the funds. At conclusion of the discussion, motion is made by Doug Christiansen to pay Sanpete County a total of $760,000.00 for the washout building currently being constructed by using $500,000.00 from unobligated funds, $160,000.00 from the budget planned for water crossings and the $100,000.00 budgeted to contribute this year to the building. Motion is seconded Robert Staker and the motion passes.

With no further business before the board, the motion to adjourn the meeting is made by Ben Black and the motion passes. The motion is seconded by Doug Christiansen the motion passes.

Meeting is adjourned