WORKFORCE SERVICES
HOUSING & COMMUNITY DEVELOPMENT

PERMANENT COMMUNITY IMPACT FUND

June 4-5-2026 ~ POLICY MEETING ~ MINUTES

Bryce Canyon City, Utah

Members Present

Curtis Wells	Chairman
Laura Hanson	Governor's Office of Planning and Budget
Bill Winfield	SERDA
Bruce Adams	State Transportation Commission
Jack Lytle	State Treasurer's Office Designee
Willis LeFevre	Uintah County
Jerry Taylor	Five County Association of Governments
Scott Bartholomew	Six County Association of Governments
Danny Van Wagoner	Emery County
Matt Tippets	Uintah Basin Association of Governments

Excused Board Members

Kirt Slaugh	State Treasurer's Office

Staff and Visitors

Candace Powers	Housing and Community Development
Heather Poulsen	Housing and Community Development
Paul Moberly	Housing and Community Development
Skyler Davies	Division of Water Quality
Kaylee Beck	Department of Workforce Services
Stephen Lisonbee	Governor's Office
Dennis Worwood	Emery County
Willis LeFevre	Uintah County
Carl Albrecht	District 70 Representative
Larry Jensen	Carbon County
Willis LeFevre	Uintah County
Brian Barton	Jones and DeMille Engineering
JaLyne Roundy	R6 Regional Council
Louise Zeenati	Washington County
Kevin Yack	Uintah Basin Association of Governments
Michael Mowes	Housing & Community Development – CDO

Virtual Attendees

Bill Prater	Bond Counsel
Alison Keller	Department of Workforce Services - PIO
Brook McCarrick	Attorney General's Office
Stephanie Gittins	Bear River Association of Governments

The 40th Annual Permanent Community Impact Fund Board (CIB) Policy Discussion Meeting was held on Thursday, June 4-5, 2026 at Ruby's Inn ~ 26 South Main Street ~ Bryce Canyon City, Utah and was called to order at 12:00 p.m. by Chairman Curtis Wells.

Meeting documents: https://hcd.granicus.com/ViewPublisher.php?view_id=1

June 4, 2026

State Housing Policy & Strategic Initiatives

Mr. Steve Waldrip, State Housing Coordinator and Advisor to the Governor, provided a comprehensive presentation regarding the structural realignment of state housing programs, market metrics, and legislative interventions targeting workforce housing.
Strategic Realignment: Housing operations are transitioning out of the Department of Workforce Services (DWS) and integrating into the Department of Economic Development. This alignment ensures that when businesses expand or relocate to Utah (particularly in rural communities), the immediate question of workforce housing capacity is explicitly addressed concurrently with job creation.
Macroeconomic Housing Metrics: Historical data emphasizes a severe market failure. In 1984, approximately 95% of the United States featured median home prices below three times the median wage (with Utah near 2:1). Today, Utah's ratio stands at approximately 5:1, essentially cutting working-class purchasing power in half and necessitating dual incomes where one historically sufficed.
First-Time Homebuyer Constraints: The median age for first-time homebuyers nationally has risen to 40. In Utah, roughly 90% of current non-homeowners are financially locked out of entering the market under current conditions.
State Housing Infrastructure Partnership (HB 492): Enacted with a $100 million appropriation, this program provides revolving low-interest loans (targeted at 2% with up to 20-year amortization) to political subdivisions for regionally significant infrastructure linked directly to deed-restricted, owner-occupied affordable workforce housing.
State-Owned Surplus Land Initiative: The state is actively auditing unused property, beginning with approximately 400 acres identified by UDOT in Salt Lake County. The state intends to discount the acquisition price of these parcels to developers who contractually commit via deed-restriction to pass that full equity value directly to home buyers, retaining long-term owner-occupancy restrictions.
Rural Housing Dilemma: Rural areas face acute workforce shortages due to zero housing vacancy. Energy and economic booms create localized price inflation, pricing out vital local staff such as teachers, law enforcement, sheriffs, and municipal workers who face lengthy commutes due to lack of local inventory.

It was noted that a joint webinar hosted by the Utah League of Cities and Towns (ULCT) and the Utah Association of Counties (UAC) is scheduled for Wednesday, June 24, 2026, from 12:00 PM to 1:00 PM to further outline these financial shifts and infrastructure tools for rural communities.

Lunch Recess & Afternoon Reconvening

Following Mr. Waldrip's presentation and subsequent board discussion, the meeting recessed for lunch at 1:00 PM. The board reconvened and called the afternoon policy session back to order at 1:41 PM.

Chairman Wells reconvened the meeting at 1:41 pm. He noted the Board will be touring some CIB projects in Panguitch. The Bus leaves at 3:30 pm and will be back sometime between 6.30 and 7 for dinner location at 7pm.

It was noted that due to time constraints, items on the agenda which are informational may not be discussed. An Oath of Office and OPMA training are mandatory.

Statutory Requirements & Board Governance Training

Ms. Brook McCarrick, Deputy Attorney General led the Board collectively to take and execute the annual constitutional Oath of Office as required by state statute, swearing to support, obey, and defend the Constitutions of the United States and the State of Utah, and to faithfully discharge the duties of their office.

The documents were signed by each Board member.

Chairman Wells noted CIB's multi-tool gift to the board; a multi-tool and the Board expressed appreciation.

Ms. Brooke McCarrick presented the legally mandated annual training on the **Utah Open and Public Meetings Act (OPMA).**

- Public Body & Meeting Definitions: A meeting is defined as any gathering of a public body with a quorum present, convened to receive comment, deliberate, or take action on matters within their jurisdiction.

- Public Notice Mandates: Agendas and notices must be posted with 'reasonable specificity' at least 24 hours in advance on the Utah Public Notice Website, and additionally on the public body's website if their annual budget exceeds $250,000.

- Minutes & Audio Recording Requirements: Comprehensive written minutes and complete audio recordings must be maintained. Pending written minutes must be posted within 30 days following a meeting, and finalized approved minutes must be posted within three business days of formal board approval.

- Closed Session Constraints: To enter a closed session, a quorum must be present in an open meeting, a motion stating the specific statutory reason must be passed by a two-thirds roll-call vote, and absolutely no final action or voting may occur within a closed session. Misuse of closed sessions or willful violations constitute a Class B misdemeanor.

GRAMA & Ethics Review: Counsel reviewed the statutory requirements under GRAMA and the Public Officers' and Employees' Ethics Act, emphasizing that records concerning public business are public by default unless protected under explicit privacy exceptions. Board members were reminded of conflict-of-interest disclosures, the strict prohibition on accepting substantial gifts that could impair objective judgment, and the 10-day statutory window for agency responses to formal records requests.

Financial Presentation Overview & Upcoming Items

Ms. Kaylee Beck, DWS Finance presented an analysis of long-term financial trends, showing historical mineral lease revenues, bonus receipts, loan repayments, and investment distributions. The board discussed shifting financial balancing metrics to secure the long-term solvency of the CIB by prioritizing low-interest revolving loans over outright grants when reviewing municipality utility and infrastructure requests. It was noted that market rates on general public finance currently float around 4.5% fixed for 10 years, making CIB's 30-year fixed terms exceptionally advantageous even at modest interest rates.

Chairman Wells indicated it is essential where appropriate and makes sense to charge a higher or market interest rate. This fund still provides a much better deal than public finance.

Commissioner Winfield noted that the Board should help some of these little communities out, but the Board should consider a higher interest rate; the Board generally gives a 0.5% or 1% loan.

Commissioner Taylor stated it is also important that communities come with skin in the game, not expecting the Board to fund 100% of a project.

The funding tool does consider skin in the game within the funding recommendations.

Ms. Powers reminded the Board to consider revenue sources. When the Board funds a water or sewer project, the loan is repaid from those revenues so a water rate matters when considering a grant. If the

MAGI is .88% of MAGI, the water rate is very low and an entity can increase rates to accommodate a loan. DEQ would not consider any grant if the MAGI is below 1.75%. A loan for a building is often funded by property tax and perhaps they do not collect sufficient taxes. Water and sewer systems are paid through the users.

Ms. Beck indicated that CIB staff actually does a really great job; if the funds authorized by the Board for a project include grant funding, CIB recaptures the interest accrued in the PTIF and it is returned to the mineral lease fund account.

Recess & Adjournment of Day 1

Chairman Wells adjourned the meeting noting no further immediate business. The meeting was adjourned at approximately 3:15 PM for the Board to attend the scheduled regional infrastructure bus tour hosted by Garfield County.

DAY 2: FRIDAY, JUNE 5, 2026

The CIB Board reconvened at 9:00 AM at Ruby's Inn, Red Canyon Room.
Roll call confirmed the continued presence of the Chairman, board members, and staff.

Rural Utah Infrastructure Coalition (RUIC) Rail Update

Keith Heaton presented the RUIC annual progress report CIB funded ongoing projects and policy strategies handled by the coalition to synchronize localized development frameworks. The greatest amount of funding has been spent on environmental issues; nearly double the amount spent on legal. $10 million was spent on the Supreme Court. In 2019 Drexel Hamilton was selected as the private partner for this project. The project is close to fruition. The Supreme Court decision in the Seven County Infrastructure Coalition v. Eagle County has been cited in over 130 lower court cases since it was cited one year ago. The DC Circuit Court has cost a lot of time and money but as a result of the SCIC persistence for clarity, nearly every federal agency has implemented new regulations, and those regulations mean that nearly every project in the country will enjoy a more efficient NEPA review. The only thing left to do is get the rail built…we're just crossing the finish line.

Mark Michel of Drexel Hamilton indicated that for the CIB's roughly $28 million investment, there is to be the creation of the first railroad in 50 years and open the needs of the nation and the world. He commended the Board for the first investment 6 years ago, which will result in positive changes for this planet, for this country, for the state. Utah's future is extraordinarily bright. There is to be a refinery in Vernal which will enhance the ability for producers to bring alternate products to market. He expressed appreciation for RUIC as a public partner and noted they have shared to cost of this project 50-50 utilizing millions of dollars of investors' money to facilitate the rail project and thanked the CIB for their support.

Commissioner Adams indicated several years ago he was part of the discussion noting the eastern side of Utah was an energy corridor. He commended the tenacity of the whole team through the many issues and efforts to stop a project. He appreciated the update.

Commissioner Lytle referred to the future refinery and asked if the project would be provided to California.

Mr. Michel indicated that Nevada and Arizona are connected to the southern California refineries. In December, Phillips 66 shut down their refinery in the Long Beach-Los Angeles area; about 150,000 barrels a day came offline. Then the Benicia refinery in the Bay Area shut down in February; those two constituted for over 20% of the refining capacity of the state of California causing a spike in the price of gasoline. Utah will be in a position to provide relief to places like California, and on the West Coast.

Commissioner Taylor indicated a refinery coming to the Vernal area is exciting and the rail project is important and asked how long is it going to take to build this railroad and move a train through there?

Mr. Michel indicated that a few months ago with current construction estimates on cost and timeline they were saying first quarter of 2029. They have been waiting for the Endangered Species Act issue in DC, so it's probably kept pushing it to the second quarter. The rail will be a common carrier and have the capability of moving oil and gas products, coal products, mining and minerals, agricultural and it will see manufacturing come to the Uintah Basin.

Ms. Hanson appreciated the update. She noted the Board has a statutory responsibility to manage the fund. The inception of this project began prior to her placement on the board. She referenced the refinery and asked if PCIB funding was anticipated.

Mr. Michel noted the refinery is completely funded because a railroad was anticipated.

Ms. Hanson referred to expenses noted by SCIC which included program management, coordination and communications is a quarter of the budget. In her experience, typically those expenses are 10%. She feels like more of the money should be going to the hard costs that move the project forward. She suggested they tighten up administrative expenses moving forward. This has been a lengthy project; we are close to the finish line as mentioned. CIB has limited dollars and there are a lot of needs in communities such as drinking water, fire trucks; critical, basic needs and having so much of the funding going to just administration is troubling.

Mr. Michel indicated is the agreement that as the project commences, the CIB will be paid back. There has been a lot spent on regulatory and legal concerns; agency coordination, regulatory navigation, there are 16 different state, local, and federal permits just for the railroad.

Commissioner Lytle referenced the repayment of the funding CIB provided to the Coalition seeking Mr. Michel's perspective on the repayment.

Mr. Michel stated the amount to be paid back is relatively low compared to projects he has been involved with. He referred to the necessity of good legal counsel for coordination with Washington DC in getting the permits and approvals.

Commissioner Lytle acknowledged the important expenses necessary to facilitate this project, but also noted the project is an anomaly.

Mr. Barton indicated they have been empathetic to cost control. A 3-4 year project has become an 8-year project. It involves technical, environmental, engineering, right-of-way and other necessary issues to resolve. They have stretched the funding as absolutely far as they can.

Commissioner Winfield indicated he is a contractor that has done highway and rail projects and does not question the project acknowledging it's benefits throughout the state but wanted to know the timeline for moving forward.

Mr. Michel indicated they are waiting for the U.S. Forest Service, BIA, Bureau of Indian Affairs; those two are predicated on the STB approval. He is hopeful that the various agencies will have their approvals by Labor Day which would allow the mobilization effort. If they can have bulldozers in the field April of 2027, then perhaps they can deliver this project in the second quarter of 2029. The Phase I refinery may be online in 18 months processing approximately 16,500 barrels. Phase II will increase output to 50,000 barrels.

Commissioner LeFevre expressed concern about housing over the next 5 years for the workforce; the sewer lines, water lines and infrastructure to facilitate housing and wondered how to prepare for these projects. It will take innovation; to think differently and come up with solutions.

Mr. Michel acknowledged there will be growth for Uintah and Duchesne counties. The housing issue is serious.

Chairman Wells thanked Mr. Michel for being a good partner for the project. CIB and Drexel Hamilton have invested a lot. The Supreme Court ruling was incredibly valuable for Utah and beyond.

Commissioner Miles noted the Supreme Court Ruling for Utah is the gold standard across the nation; it was worth the CIB investment.

Chairman Wells commended current and former CIB Board members, and all involved for the sheer will to proceed.

Break & reconvene at 10:38 am.

Rural Utah Infrastructure Coalition (RUIC)Throughput Port Update:

Mr. Heaton provided an update on the throughput port study. He reiterated Mr. Michel's earlier comment; "We built things in this country until the 1970s, and then we stopped." The port is very important. They are nearly finished with the market analysis and study. The economics have been done, and what is noted is that there is a strong demand for Utah coal in Asia markets. He acknowledged the Association of Governments, R6 and SERDA, Laura Hanson and Brian Somers form Utah Mining who are partnering on the advisory committee.
There are two major ports: Oakland, California, Longview, Washington. They have looked at ports in Mexico, but those are not as viable as Oakland and Longview.

Oakland:

Oakland has already built rail. It has 8 rows of tracks long enough to hold 50 cars. A unit train is just over 100 cars. They can have 4-unit trains parked and waiting to go to the dock and dump their load. They've got Class 4 locomotives ready to go. It is a heavy industrial area. They need to finish from their rail yard to the actual dock which is less than a mile. They are ready to start construction and it is anticipated to be done in about a year. They will make some improvements out on the dock and Oakland is ready to go. Oakland is very eager. Savage, which is a Utah logistics company, and Wolverine Fuels are heavily involved.

Longview.

Mr. Heaton stated Longview, Washington is also extremely promising. The developer RUIC is working with is in the final stages of negotiating the sale of property adjacent to the port. It has COAL-carrying train cars, conveyor belts and storage tanks for coal.
The paper mill had a catastrophe with the tank collapse next door currently utilizes this property for coal. It's a very small amount brought in to use for paper manufacturing. It is a coal facility but not set up for the exporting of coal. It is a massive site that has been environmentally cleaned up and ready to go. Through the study, it is apparent that shipping coal is where to start. The market and economics are there. I think there's a very strong long-term play, for natural gas exports out of Longview. Unfortunately, unlike coal, the… The equipment needed to export natural gas and transport It's very specialized, very expensive. It's going to take a lot of private investment in there, but the long-term opportunities are huge.

Once coal is established out of Longview, there will be natural gas. As previously stated, Utah has more natural gas just in Utah than the world could use in the next 100 years. The equipment needed to export natural gas and transport is very specialized; very expensive so it will take a lot of private investment. The study is expected to be ready in 3 to 4 weeks. RUIC will be on the next CIB agenda with information and some recommendations on both ports; Longview and Oakland.

Commissioner Tippets asked if the study is looking at Longview *and* Oakland or Longview *or* Oakland?

Mr. Heaton indicated the study will hopefully determine that. Right now, we're looking at both.

Commissioner Adams asked how did it morph from Oakland opposing any coal brought into their port to now they're supporting it?

Mr. Barton indicated the results in litigation. They won some court cases.

Ms. Hanson asked about the transition point; Utah produces the commodity which needs to be transported to a port, then transitioned to another market. A feasibility study concerning logistics for getting things from one place to the other, etc. She asked if there is remaining litigation risk and what other types of permits will come into play in order for the ship to leave port. She also questioned the need for CIB money with the recent announcement of support and investment in coal from the federal government? There are other types of projects; is this the best investment of the throughput funding if the government or private partners are providing funding support for coal.

Mr. Heaton indicated the project will secure capacity for a variety of Utah products.

Ms. Hanson suggested perhaps not all the available funding be allocated to the port; maybe $10 million would provide access.

Mr. Heaton stated it's going to take some time and there are options. There are two different port developers that are expressing interest. The legal and political support are sound. The most important thing is to make sure Utah products can get to international markets. They will seek guarantees regarding.

Ms. Hanson requested that those questions should be answered before any agreement is finalized.

Commissioner Taylor expressed support for the project and the potential for getting the cleanest, highest BTU, lowest sulfur Utah coal out to market.

Commissioner Lytle suggested clarity as to what the federal support and funding would be for. He requested research as to what the federal money will actually be for. Utah throughput funding is intended to get space for Utah products.

Commissioner Miles indicated that the commodities to be exported should include coal, oil and gas.

Ms. Hanson clarified that the ports are in Washington and California.

Commissioner Lytle noted the help from Brian Somers and the Department of Mining. He thanked the advisory board for the work that must be done.

Commissioner Tippets asked if the feasibility study is considering products out of Wyoming. Daggett County has a lot of people that work in Wyoming and Southeast Wyoming has the largest rare earth minerals deposit in the world.

Chairman Wells thanked RUIC and all for the good discussion. It was noted the feasibility study will be completed this summer and there will be a full report at the next CIB meeting.

CIB Sewer & Water Projects – DEQ Reviews & understanding

Skyler Davies, Division of Water Quality led an interactive discussion centered DEQ compliance frameworks for municipality requests including a report on water and sewer system reviews on behalf of the CIB. He referenced acronyms which include DEQ, Department of Environmental Quality, and under that is DWQ, Division of Water Quality and DDW, the Division of Drinking Water. MAGI is Median Adjusted Gross Income. It is a measure used to suggest water and sewer rates.
The CIB staff forwards the application to DEQ for reviews of water and sewer applications.
A memo is prepared to include a staff evaluation, an affordability analysis which is based on fees rather than taxes. The DEQ staff generally recommends that the CIB fund the project but leaves it to the board to determine the amount and type of funding. The law requires that plans and specifications for projects generally must be reviewed and approved by either water quality or drinking water prior to advertising for the project bids.
DWQ will consider a grant when the annual sewer bill cost exceeds 1.4% of MAGI.
There are additional considerations and one includes affordability, because if a location is losing population, it's less affordable than if they are gaining population.
DDW will consider a grant when the MAGI is less than 80% of the state MAGI, and/or the cost of service per residential connection is greater than 1.75% of the PCI. He noted the benchmark percentage used to be the ceiling… now it is the floor as sewer and water bills have increased.

Ms. Powers noted the tool does take MAGI into consideration which is shown on the right side of the project review/yellow sheet. An applicant is not considered for a grant from DEQ unless it exceeds the MAGI threshold.

Commissioner Lytle stated the Board should note the MAGI as applicants come to CIB because DEQ screening would merit some loan. CIB has received many applications for the next trimester; the Board is going to have to truly analyze the funding requests to make it work, or deny.

Ms. Hanson indicated the federal Infrastructure Investment and Jobs Act provided extra funding to drinking water projects and wastewater projects which is expiring. A water infrastructure fund was created but has not been funded because there is a water fee being negotiated to provide the revenue.

Mr. Davies stated the water infrastructure fund may potentially pull funding from the DEQ state funding. A good reminder to communities is to put their projects in the Utah Project Portal as it may be a requirement for funding consideration. *(He noted DWQ is taking applications and they are due by the end of June.)*
He explained the DEQ memorandums done for CIB projects which give a synopsis of the project and recommendations. LQI = lowest quintile income which is a consideration.
He stated that the Division of Drinking Water protects safe drinking water by supporting Utah's public water systems. The Division of Water Quality oversees everything prior to the drinking water system and

after it leaves the house or building. Funding partners include CIB, USDA, RD, Army Corps of Engineers, Bureau of Reclamation, DNR and CDBG. Applicants must have a capital asset management plan (CIP).

Ms. Hanson asked if DEQ could share those plans to help understand the asset management planning requirements for other agencies for consistency. She asked if the DEQ requirements are more stringent than what CIB is requiring.

Mr. Davies indicated the requirements in the DDW asset management plan is more comprehensive but the DWQ asset management plan is simpler and could be adapted to any infrastructure. DWQ does fund facility planning studies similar to CIB and DDW. They do not require a 50% match; they provide it as an advance and when the project gets funded, the cost of the study may be incorporated into the construction project.

Commissioner Miles asked if planning grants could be funded at 100% as long as the cost is then absorbed into a project.

Mr. Davies indicated it usually becomes a short-term, 0% interest loan.

Ms. Hanson asked about application cycles.

Mr. Davies stated that DDW has a moratorium on applications right now. DWQ applications may be submitted anytime but the application deadline for consideration is June. Then all are considered in one full consideration to get all requests in front of the board at once. The DWQ board wanted to do a similar trimester basis as CIB, but because of the DWQ has really limited funds which are allocated once a year, they want to see everything at once to compare all the projects. The timing may change with the Water Infrastructure Fund to comply with the requirements of that new fund. DWQ has historically have around $30 million a year to allocate and receive about $90 million in applications.
DWQ may partially fund some projects and only fully fund small projects.
High-priority projects include public health improvements, project need, potential for improvements and population affected. There are federal funding requirements that do affect costs quite a bit; everything has to be made in America that goes into the projects that are what we call equivalency projects.

Commissioner Miles noted it is troubling when trying to put together a filtration system and no components are made in America. It requires additional approval and causes project delays.

Mr. Davies indicated DWQ does try to provide revolving loan funds making it a non-equivalency project if it's impossible for a project to move forward. If there is a big lagoon project where it's all earthwork, it might be a good project for non-equivalency; they're not buying a lot of materials. A pump station is more difficult to make it a non-equivalency.

Ms. Powers asked how the funding is allocated and when do they know how much money they have to fund.

Mr. Davies indicated they get an award from the federal government each year which is their base money. When the Build money goes away, they will get what is left after the ear marks. They also have loan repayments. They do receive state monies but that may be going away which comprises their hardship grant money; it is getting smaller. It is called principal forgiveness when it comes from federal dollars. In the future, DWQ may not have any grant funding so projects will come to CIB.

Chairman Wells thanked Mr. Davies for the presentation.

2026 Policy Manual ~ Statute Changes HB68

Ms. Powers referenced the CIB Policy Manual. The state statute mirrors the federal statute. With HB68 and the change to GOED, the statute is renumbered as of July 1, 2026. The program rules have not changed. Anything in statute or rule must be adhered to. The Board has rulemaking authority and makes the policy.

Board Signage Resolution

Chairman Wells indicated the board may approve the fiscal year 2027 rule, policy and guidelines. He noted one potential policy change which the board has discussed concerning mandatory signage near the front of the entrances of CIB-financed buildings. The board-approved language will indicate that the revenue that allowed the construction of the project are derived from coal and oil and gas.
He referenced a white paper outlining the rationale and justification for the acknowledgement and noted there will be a draft resolution for consideration. It is proposed to apply to all future and previous projects with a compliance period. It may clarify the CIB and the source of revenue that funded the project and how that relates to local policy. It will acknowledge the industries and the revenue sources that allow the CIB to fund these projects; provide transparency on who's financing the major infrastructure, facilities and quality of life. The signage will acknowledge the CIB and mineral development.
That's that. Any questions or comments on that?

Ms. Hanson asked how the signage would be enforced. Is it then the responsibility of the staff to go check all the projects; how does that work? Does staff have to travel the state to check every project, or get some sort of proof?

Chairman Wells indicated that needs to be determined. Also, what does the compliance process look like? The resolution provides some general language including the exact verbiage. The Board will approve the standardized verbiage.

Commissioner LeFevre suggested the entity could take a picture of the project with the plaque.

Chairman Wells indicated there would be specific dimensions and language and they could take a picture once it is installed.

Commissioner LeFevre noted the signage will take some time given the amount of existing projects. The Board is often invited to attend project openings and could verify the signage requirement.

Ms. Hanson asked if it would be an allowed expense from CIB funds to pay for the sign itself or does the entity pay for it on their own? As part of that infrastructure law, the EPA had a requirement that any project that was funded through the bipartisan infrastructure law had to put up signage that said, 'This project funded by President Biden's bipartisan infrastructure law' and they were stolen and vandalized. It became a huge expense for the local governments. There are many different viewpoints in our communities; if you put 'funded by oil, gas, and mining' that might get defaced by a different political group making it an ongoing expense for either the CIB or for the local governments. It should be given some thought.

Commissioner Lytle stated the sign needs to be conservative, appropriate, get the message out and not be a billboard. It is a good concept to note where and how the money comes. The Utah Correctional Industries (UCI) has a state contract, and the template could be developed for CIB and other than what is unique to that project, it should not be overly expensive for old projects. On new projects, it would be part of the checkbox, but it should not be a billboard.

Ms. Hanson worried that if it says 'oil, gas, and mining', there may be some members of the community that want to vandalize it from a different perspective.

Chairman Wells indicated he has seen permanent placards inside buildings which have not had any issues, but there's no mention of the revenue source and that's the important part.

Ms. Winter offered staff assistance on standardized language and design templates. She noted other signs that are posted on buildings include a lot of different partners on those signs. She expressed concern about developing the standardized language and design templates and suggested some flexibility.

Ms. Hanson acknowledged the project may be funded by multiple sources.

Chairman Wells indicated the main thing is with revenues derived from coal, oil and natural gas. That's the component, because if it only lists CIB, people don't understand the source of revenue; it's a real issue.

Commissioner Adams suggested rather than oil, gas and coal, just say extractive industry.

Ms. Winter stated the language will be determined. She asked for clarity for staff. The resolution has a line that says *'provide reasonable timelines for compliance with previously funded facilities'*. The resolution is mostly about facilities that are funded from the date the resolution is signed and asked what it means for previously funded facilities.

Chairman Wells acknowledged that previously funded projects will be the trickiest. Who pays for that? He would support the CIB paying for it but wasn't sure what that bill looks like. A simple checklist of all the facilities built and financed by CIB in that community from communities that are applying currently or in the future and a grace period to establish the funding and timeframe.

Commissioner Miles indicated that if CIB is giving them 5, 6, 8 billion dollars, they can buy their own dang sign.

Ms. Winter stated there is a question determining when they are not in compliance; what does that mean? The staff need to know.

Chairman Wells indicated that to qualify for future funding.

Commissioner Lytle stated that each county is going to need a list from CIB of previous projects. A determination of what makes sense for different projects. When is the placed, do they replace it when the project is done? Is the sign saved? What is the simplest way to proceed?

Chairman Wells indicated it is in the white paper, but not the resolution. It is intended for public facilities that the public interfaces with such as recreation and aquatic centers, city halls and county courthouses. Not necessarily water treatment plants etc.

Commissioner Taylor indicated his perspective is the people that don't like oil, gas, and mining, they don't like drilling, etc. because they think It just does harm everywhere. This is an opportunity to show what good oil, gas, mining, and drilling actually do for the community.

Chairman Wells indicated that the counties are subdivisions of the state, and state policy is supportive of coal and oil and gas. CIB supports the majority of rural Utah with this fund and signage provides transparency on how a lot of infrastructure is being financed.

Ms. Powers indicated that CIB Bond Council has suggested language that may be in the CIB loan authorization letter. The contract for any grant funding can also include approved signage requirements. CIB has generally requested pictures of the project from the entity.

Brook McCarrick, Assistant Attorney General and legal counsel to the Board commented regarding the signage; if CIB doesn't fund it, or make the fabrication and the installation of the sign allowable and reimbursable as project costs, it is uncertain but may be challenged as an unlawful, unfunded mandate that the board is trying to impose on local governments. The cost may be so minimal that it might not matter, but it is a concern.

Chairman Wells thanked Ms. McCarrick for the counsel. He noted it would not be wise for a community to have an issue with signage considering the role CIB has played in every community.

Ms. Winter indicated the proposed signage policy will be on the next CIB agenda.

Commissioner Winfield requested there be reasonable research to determine a reasonable time frame for the requirement.

Chairman Wells acknowledged there are logistics to determine.

Board Policy Updates

Chairman Wells introduced the discussion of meetings and timing to better consider funding. CIB currently operates on a trimester basis. It would require a rule change if CIB were to switch from a trimester to perhaps a biannual meeting which may allow for more revenue to come in.

Ms. Hanson referred to the DWQ presentation earlier which answered some questions about other state grant programs. They open the time for receiving applications and then it closes and they know they have $50 million dollars of available funding and $90 million in requests - it is discussed right then, and it is known exactly how much money there is. She feels like the CIB has been making decisions based on what is anticipated so the Board may be a little harder on some communities than necessary, or maybe not as hard on some communities because it is not really known how much money is coming through. Perhaps with the transition from Workforce Services to GOED, it might be an appropriate time to take some time to reset and see how much money there is. It would be more consistent with the way other state grant programs operate and would give the Board better insight as to how much money there is and the appropriate level of ‘haircuts’ to give a project.

Commissioner Taylor stated as a former mayor, and having had their water system wash out, he appreciated the prompt ability to apply.

Ms. Hanson stated maybe there could be an emergency waiver sort of situation.

Commissioner Bartholomew stated this option has been presented to him. He supports the idea to know how much needs to be cut and where. Everybody coming in knows so when the Board must cut $2 million off of a project, they understand why. He expressed concern with telling an entity to come back in two months and we hope we have the money; then we don't have the money. He supports an emergency option.

Ms. Hanson noted there would need to be parameters set for a real emergency.

Chairman Wells suggested a quick compare and contrast; the trimester process versus a biannual. What would the calendar and meeting schedule be?.

Ms. Winter indicated it has not been considered and suggested input from a fiscal perspective.

Ms. Powers noted having experienced different schedules for CIB. It was changed to a trimester to accommodate the monthly revenue receipts. The Board can review for 3 months; funding was given final authorization on the 4th month. The revenue was known. CIB has been in an unpredictable era, but that is the reasoning for a trimester basis. The CIB revenue is not allocated annually like most funds. The trimester allows the Board to determine how to fund a project on its merit. The fund historically has not been a savings account. The Board has tried to get the money to work as it comes in. Projects can meter in. And there are loan repayments that allow more loans. Even if the Board changes to a biannual calendar, the consideration is to fund a project on its merits, on its need, on its priority, as noted in statute; with priority given to those who are impacted. Public land is also an impact and a consideration. The Board also has 'Special Consideration' for emergencies. Before the trimester was implemented, entities would apply, come in, hopefully get funded. If there wasn't any money, it couldn't be funded.

Chairman Wells noted it puts a heavy emphasis on merits. He noted the board's approach is to try to make everything work and within our budget more than the merits of a project so everyone gets funding and then worry about how it was allocated later.

Commissioner Bartholomew suggested another option is to have a moratorium on applications for the next 3 months to allow for the funding to be known then continue with the trimester.

Commissioner Lytle noted the Board has moved from a monthly meeting to one review meeting and one funding meeting.

Ms. Hanson indicated the review meeting and the funding meeting are still two separate steps; '*we think we're going to get this much more money, so we're projecting that we'll be able to fund all of the projects',* but we still don't know.

Commissioner Miles stated that the only mileage the Board will get in changing to do any good is if the board has some self-control; we're not going to touch that pot of money.

Commissioner Lytle suggested that at each funding meeting, the Board could keep 20% in the fund so it builds at least over a year. He expressed a preference for meeting at least 3 times a year to go over it, with whatever funding available.

Commissioner Miles indicated there used to be a limit on what an applicant can come to CIB for. *There was a $5 million cap on funding.* That limit has been removed and the Board has funded $18 million dollar projects. There needs to be a cap and entities should diversify their portfolio so that we leave some integrity in the fund for everybody else. Every applicant may be having to look at Zions in conjunction with a maximum funding allocation from CIB.

Commissioner LeFevre noted if everybody takes some loan and pays a little interest, the problem may solve itself.

Commissioner Miles noted if the Board gives out loans it won't get the revenue back for years.

Commissioner LeFever referred to the applications submitted for the 1st trimester of FY27 noting entities have submitted more than one application. Perhaps the number applications should be limited.

Chairman Wells stated merit is really important. The project that was not funded last meeting has received $9 million more in CIB funding than their revenue. They were asking for grant. He noted they shouldn't have even been on the agenda given that scenario…

Commissioner Lytle indicated that would take Daggett out of the picture, and many other counties.

Commissioner Winfield stated that clearly the revenue is trending down. The Board needs to be looking at the merits of the project, and awarding loans. He acknowledged that even a loan is removes available funding for a while. Revenue is trending downward; the merits should be number one. Are there new sources; does CIB go to legislature to start getting some revenue from other critical minerals that CIB does not receive? Why hasn't lithium been added?

Chairman Wells indicated it is a federal issue and has been attempted before. It continues to fail in Congress. That would be a conversation for a legislator. Project merit, loans, and interest rates should be discussed. The Board is highly subsidizing loans. Entities can also go to Institutional finance to supplement CIB loans.

Ms. Hanson noted that drinking water, water quality, UDOT and others partially fund a project; they can't afford to fund the whole project, so they fund as seed money to help the entity raise the other funding necessary. CIB could do that.

Commissioner LeFevre indicated that CIB seems to fund a lot of recreational and other projects and suggested reserving the funds for core needs that are essential infrastructure.

Ms. Hanson stated support of recreation projects; the funding tool gives extra points for critical projects versus recreational projects. Recreational areas where a community gathers is important for communities. If the option is for a well that went dry or a recreational project, the funding would be to the well.

Commissioner Miles stated we can write a policy for everything. There's a reason why there's a warning tag on a hair dryer not to put it in the bathtub. He noted in the oil, gas and coal communities there are mental health reasons why recreation projects are needed. It's hard work and recreation does good in a community that's very heavily impacted so there should be some priority to those facilities.

Commissioner Tippets asked what the objective is; is it to put the funding to use the best we can as applicants come in, or to save the money for specific, merit-based projects that rate higher in the tool. He has observed that the Board matches the revenue with the expenditure to fund as many projects as possible. The Board could fund the higher rated projects and bank the money or match the income with expense on a trimester basis.

Ms. Powers acknowledged all the valid points in the discussion but indicated the legislature watches this and all funds. If the CIB has a savings account, the legislature will come and find you. CIB has tried to stay out of the radar and the only thing that keeps them at bay is the statute which restricts the fund from the federal level. If the Board authorizes loans, the funds are going to revolve, and it could fund many more projects. It is up to the Board. If the Board offers a loan to an entity, they will consider their project seriously and then they're responsible for it; they really must want it.

Chairman Wells expressed agreement.

Ms. Hanson suggested that Tricia and staff take a look at a scenario where the Board can somehow get ahead of exactly how much money there is to allocate. What might that look like and then the Board can determine if it is twice a year; three times a year? At the next meeting we will discuss a proposal as this transition from one department to another gets underway. There's a whole new finance team that is going to have to get up to speed on how all of this is funded. It would be helpful to get a sense of what it would take to get ahead of the money and figure out exactly how much there is to spend with an appropriate level of toughness on the communities that come to us.

Commissioner Lytle suggested a limit of funding at $5 million total – loan and grant and a 20 project limit.

Chairman Wells recommended a vote on that issue at the next meeting, which would be a policy motion for the Board to reinstitute a total project cap of $5 million.

Ms. Powers asked if there would be an exception.
The vote will be a funding limit, a moratorium and a means to allow the Board to better quantify what revenue is available.

Commissioner Adams indicated the Board determined the trimester was to build the revenue over a period. He expressed concern that the legislature would see funds as a resource. He does not support a biannual meeting. There are many needs in the smaller communities. The Board might have to ask an applicant to shorten and/or limit the funding for a project. It is problematic to build up money.

Chairman Wells acknowledged the comment and added the Board is not trying to stockpile funds. The Board is trying to do a better job in allocating the funds available at a given time on merit. Some projects lack merit but are receiving a better deal while other communities are taking a haircut so the board can fit everybody in. Knowing how much revenue is available can avoid those scenarios.

Commissioner Adams stated that a community came to him saying "We can't afford all this; can't take a loan. It would raise the water bill $7 a month…." Then the answer should be: "We'll give you this option and if you don't want it, Okay, we understand."

Commissioner Taylor indicated that though projects are prioritized in the county, a community comes to CIB with 3 projects in the same trimester. A community cannot complete all three projects so an entity should pick one; CIB should not fund all three.

Commissioner Lytle stated that funding once a year does an injustice to the communities. This Board is not like other boards and there are good reasons for not being like everybody else. It was indicated that the drinking water or sewer board is looking into meeting more often than once a year. It comes down to the Board having to do the hard work and hold people's feet to the fire while being responsive to those that honestly need it; enforce honesty and openness financially. Entities do not want to take a loan but in reality, they can financially afford a loan. Applicants are learning how to work in the system. The Board has requests which exceed the revenue. He commended the board for being willing to put the hard work in more than once a year. It is also better for the staff as they are addressing these issues on the way. He suggested there be better tools to discern who gets on agenda from trimester to trimester for review and then the funding part comes with it.

Chairman Wells stated is not great a negotiating as applicants are not forthcoming with whether they can afford the funding. Board is not here to make it work for everyone; the Board is to keep the fund alive and make sure the fund is revolving in a significant way. The Board has to be willing to hear someone say they cannot make it work and allow them to walk away.

Ms. Winter offered to work with Kaylee Beck in Fiscal and propose a plan for a biannual schedule to look at.

Commissioner Lytle indicated he strongly feels that the trimester schedule works best for the CIB.

Ms. Winter stated that if the trimester stays, perhaps there could be a pause in funding for a better idea of what the board is working with which may help the board make decisions about loans or grants.
She asked, funding was on a 6-month basis, would the board be able to prioritize In a different way; not so quickly. What would that look like?

Chairman Wells indicated it could be a discussion in the next meeting.

Ms. Hanson requested a one-sheet document with all the projects that had rows and columns to include funding requests, rainbow sheet ranking, funding tool scoring and a variety of different factors so the Board had all the information in a snapshot to help to compare the individual projects.

Chairman Wells noted the good discussion with many different opinions; all very valid. The board will look at the options in September. The board does not want to make a change at this time.

Ms. Winter indicated some options will be presented.

GOPB - Regional Planning Funding – Application submission

Chairman Wells indicated the necessary policy discussions will end with the AOG Regional Planning and Funding through GOPB and the Utah Project Portal.

Ms. Hanson referred to the technical assistance contracts for funding allocated to the AOGs. The funding is renewed on July 1, 2026. Last year, the CIB and GOPB technical assistance (RPP) funding was consolidated into a single contract.
It is proposed to continue with a consolidated contract again this year. The structure of the scope of work has been altered a bit. There are 3 buckets of allowable scope of work items; required, pre-approved and special approval. The one requirement that's different is that the AOG receives and has to submit the completed application. The AOG will not do the application; they will only receive all components to make sure it is complete and submit. This allows for the AOG review (required) to also be completed.

Ms. Powers indicated the proposal is that at least two weeks prior to the CIB deadline, the entity submits their application to the AOG. The AOG reviews for completeness and then send it on to CIB.

Ms. Hanson indicated some directions are requested concerning the technical assistance funding; if all of the required items have been accommodated, is the Board supportive if the community advisors (RPP) use some of the time to help with other administrative or planning tasks? There are 3 different funding sources; 2 from GOPB and 1 from CIB. *The Regional Planning Funding (RPP) the Board annually approves and allocates to the AOG. The AOGs want to have some flexibility and many activities overlap; is this an RPP task, or planning task, or an LAA task? If the required activities are satisfied, then time can be spent on the other items that benefit communities.

Commissioner Miles supports the proposal if the required items are completed.

Ms. Hanson agreed. GOPB will monitor and verify the activities.

Chairman Wells called for a vote to approve the combined contract for RPP funding and scope of work allowing extra activities and applications submitted through the AOG at least two weeks prior to the CIB application deadline.

The Board voted yes unanimously.

<u>Policy Session Summation & Final Adjournment</u>

The Board synthesized the major policy agreements made over the two-day session, confirming operational and financial directives for the upcoming fiscal year.
Farewell was given to Commissioner Jack Lytle and Kaylee Beck.

The 40th Annual Policy Meeting was officially adjourned at approximately 1:00 PM.