

Special Service District #1 Meeting
September 1, 2026 Meeting

The meeting was called to order by Chairman John Byars at 5:00 p.m. Other members present were Les Topham and Scott Johnson. Also present were Matthew Lenhart and Lyndon Friant from Jones & DeMille Engineering, and Brodie Bagley from the Sevier County Road Department.

Minutes:

Les made a motion to approve the previous month's minutes with a few minor changes, Scott seconded, all were in favor.

Financials:

Les submitted the audited financials.

We received the second oil and gas impact payment for \$11,000, we have received 2 of those payments for the 1st and 2nd quarters. The PTIF statement came in the mail today which included a payment of \$39,761.00. Les explained that the State made a one-time adjustment that is being charged to all SSDs and counties. The District has approximately \$54,000 left to pay on that adjustment next month, which is why mineral lease payments have not been coming in. The State has been sending out a report on this, but the District was not on the mailing list; Les received copies and offered to share them.

There were no major expenditures. The largest was to Sevier County for the last of the material. The County has a remaining invoice that is still pending; it is within the budget.

John asked about the State sources line on the revenue budget. The receivables show State mineral lease funds of \$210,000 and \$168,000, and Division of Finance amounts of \$303,000 and \$365,000. The Division of Finance items appear to be SRS funds, which typically run about \$600,000. It was estimated that the District should receive between \$50,000 and \$100,000 in mineral lease funds in September, followed by the regular mineral lease payments for the rest of the year. Les will talk with Gabe to determine whether any budget adjustments are needed.

Scott made a motion to approve the financials as presented, Les seconded, all were in favor.

Invoices:

Lyndon submitted invoices for:

1906-275 Gooseberry Slide Repair

- Finalizing application for FEMA funding.

1403-210 Richfield 1300 South

- Survey mapping
- Construction Contract
- Landowner coordination

2211-031 Admin Minutes

- Shannon's minutes for August meeting.

2510-034 2026 Pavement Preservation

- Materials testing
- Field inspection
- Construction Management

2511-040 Quitchupah Road Funding

- CIB Application

Matthew presented documents for the pavement preservation project. The contract was set up with three separate bid schedules because portions of the work were for the Brooklyn Special Service District and Glenwood Town. Because SSD#1 is the contracting entity, those entities will reimburse the District. Matthew has draft invoices for Brooklyn SSD and Glenwood Town and will email them to Les tomorrow. The Glenwood invoice includes an additional cost the District paid out, approximately \$6,000. The total final cost of the project is approximately \$1.6 million.

The project came in slightly over the original contract because field measurements of road widths differed from the design measurements. The final change order is for approximately \$50,000 and covers about 18,000 additional square yards of micro-surfacing and additional traffic control.

John made a motion to accept and approve the invoices as presented, Les seconded, all were in favor.

Current Projects:

1300 S.

The contractor will begin work the day after Labor Day with clearing and grubbing. A meeting with Charles is scheduled tomorrow morning to line out the work, including coordination on moving cattle. Clearing and grubbing should take a couple of weeks, followed by fencing and then placing material. The deadline is April of next year, and the contractor was advised that it cannot repeatedly mobilize and demobilize. Completion is anticipated by the end of the year. All property owners have signed off, and Jones & DeMille will reach out to them to let them know construction is starting.

Pavement Preservation

The project is complete. The final change order to account for the \$50,000 overrun was signed. The overrun comes from 118,000 extra square yards of micro surfacing and additional traffic control. The contractor did a good job on all the roads, and no issues have been noticed. Copies of the partial pays and change order were provided.

Black Knoll Road Box Culvert

The site will be surveyed within the next couple of weeks.

Brodie raised a drainage issue at the Lizard Bench subdivision near the miniature golf course. There are three 36-inch culverts at the southeast corner that plug with rock during storms. Last fall, approximately \$10,000 to \$12,000 was spent to have a crew flush the pipes, and they plugged again with the first storm. The board discussed removing the culverts and constructing a low water crossing, lowered so that water does not back up toward the homes. Jones & DeMille will survey the site and prepare a preliminary layout and design for review at the next meeting. This work will likely be bid separately from the Black Knoll box

culvert because the scopes differ. Lyndon thought that October or November would be a good time for construction. As a worst case, the culverts can be pulled and leave a dirt low water crossing, rather than spending more to jet the pipes. Brodie will try to flush out what they can.

Quitcupah Update

Lyndon reported that Matthew will meet with UDOT on Thursday. Using the new truck counts, the proposed approach is slightly above the structural number required for the pavement design. The total cost is coming in at approximately \$12 million. With \$4 million from Maloy's office, the District would ask CIB for another \$8 million, hoping for a 80/20 or 75/25 grant-loan split; the worst case would be a \$2 million loan and a \$6 million grant.

John stated that the pavement design needs to account for the mine's actual and potential truck traffic. He noted that current hauling is about 3 million tons per year, but the road was originally discussed for 6 million tons per year, and he asked that the design plan for that level and include sensitivity runs. Trucks haul about 43 tons each, or approximately 140,000 trucks per year. John emphasized that he wants the right answer rather than defensiveness, and that the road should have an extended life so the District does not revisit this in a few years. Lyndon agreed and stated that Jones & DeMille will double-check the ESAL calculations with the anticipated loading and will sign the pavement design for the District's records.

The group discussed the causes of the original pavement failure. Lyndon explained that the road was paved in 2013 with a UDOT-approved mix design that allowed 25% recycled asphalt (RAP). The mix was too dry, which contributed to premature cracking, and there was also a tack coat issue. The proposed approach is to use cold in-place recycling, which acts as an insulator against reflective cracking, topped with a new high-modulus (high polymer) asphalt. Adding a fiber reinforcement (such as Kevlar) was also discussed to either extend pavement life or reduce thickness. Additional safety features may also be considered.

John asked whether a slurry or seal coat should be applied. Lyndon noted that the high-mod mix has a high asphalt content (about 7.4%) and a seal coat may bring oil to the surface and make it slick. This question will be discussed with UDOT, and it may be best to wait and seal the road in the spring. Concerns were also raised about the embankment below the cut, where half of the road is on a large fill and may experience differential settlement, and about the upper section that has flexed more. Jones & DeMille will review the design with Jared Dastrup, UDOT Region Materials Engineer, and Travis Hansen, UDOT Pavement Engineer.

CIB Public Hearing:

Scott asked about the upcoming public hearing. The purpose of the hearing is to meet the requirements of the CIB application. No decisions will be made; the hearing is to receive public input. A high-level introduction of the project should be given, including the plan, the action being taken, and why, so that it is documented in the minutes for anyone who wants to review it later. Barbara should be reminded to take a screenshot of the posting on the State public notice website for the application.

John made a motion to close the meeting at 5:48, Scott seconded, all were in favor.