

MINUTES OF THE MEETING OF THE TRUSTEES
OF THE CENTRAL WEBER SEWER IMPROVEMENT DISTRICT (CWSID)
HELD MONDAY, SEPTEMBER 16, 2024, AT THE DISTRICT OFFICE
LOCATED AT 2618 WEST PIONEER ROAD, MARRIOTT-SLATERVILLE, UTAH.

Trustees Present: Mark Allen, Neal Berube, Bart Blair, Leonard Call, Rich Hyer, Braden Mitchell, Russ Porter, Michelle Tait, Scott VanLeeuwen, Rob Vanderwood, and Rod Westbroek.

Trustees Excused: Sheri Bingham, Gage Froerer, Ben Nadolski, and Bob Blind.

Others Present: Kevin Hall, Camille Cook, James Dixon, Mark Anderson, Clay Marriott, Paige Spencer, Brent Packer (Bowen and Collins), Ryan Bench (Carollo Engineers), Lance Evans (South Weber City), David Larson (South Weber City), Brandon Cooper (Riverdale City), and Stephanie Russell (Weber County).

Call to Order

Chairman Allen called the meeting to order at 5:00 p.m.

The pledge of allegiance was led by Trustee Berube.

The invocation was offered by Trustee Tait.

Public Comment

There were no public comments.

Minutes of August 19, 2024 Board Meetings Approval

It was moved by Trustee Hyer and seconded by Trustee Porter as follows:

That the August 19, 2024 Board meeting minutes, for both the 5:00 p.m. and the 6:00 p.m. meetings, be approved as presented.

The motion carried by the affirmative vote of Trustees Allen, Berube, Call, Hyer, Mitchell, Porter, Tait, VanLeeuwen, Vanderwood, and Westbroek.

Ratification of Vouchers

Camille Cook reminded the Trustees about vouchers that previously were approved by the Board prior to payment, and recommended ratification of the August 2024 Check Register, which is an itemized list of all payments made by the District during August, in the total amount of \$4,895,642.52.

It was moved by Trustee Hyer and seconded by Trustee Mitchell as follows:

That the August 2024 Check Register be ratified and approved as presented in the total amount of \$4,895,642.52.

The motion carried by the affirmative vote of Trustees Allen, Berube, Call, Hyer, Mitchell, Porter, Tait, VanLeeuwen, Vanderwood, and Westbroek.

Project Updates of Major Capital Projects

Trustee Blair and Mark Anderson entered the Board room.

James Dixon presented financial and construction updates on the Phase 2 Expansion and UV (ultraviolet light) Disinfection Project being undertaken by Gerber Construction. The estimated completion is still on track for the Spring of 2026. The work is approximately 60% complete.

Clay Marriott updated the Board on the Phase 2 Construction Project. The bypass pumping of approximately 35 to 38 million gallons per day (MGD) of flows allowed work to proceed in the Headworks building and connections to the 72-inch pipe that will feed the new aeration basins.

Mr. Marriott also notified the Board that the Drying Bed Rehabilitation Project has been moving forward. Phase 1 was completed two weeks ago and Phase 2 will begin this week. Phase 1 included laying approximately 200,000 square feet of new asphalt, which amounts to 4,540 tons of asphalt.

Certification of Annexation/Withdrawal Petitions

Kevin Hall presented three Annexation Petitions to be certified by the Board. Mr. Hall advised the Trustees that all three Petitions are for land located in western Weber County and will utilize the Promontory Commerce PID (Public Infrastructure District) lift station or be connected to the associated sewer line.

The owners of Longhorn Estates, a 65-acre residential development in unincorporated western Weber County, petitioned for annexation into the District. CWSID staff has verified that the petitioner owns the development and the Petition is in order.

The ownership of West Creek, a 30-acre residential development in unincorporated western Weber County, has also petitioned for annexation into the District. CWSID staff has verified that the petitioner owns the development and the Petition is in order.

Finally, the ownership of Longhorn East, a 40 acre residential development in unincorporated western Weber County, has petitioned for annexation into the District. CWSID staff has verified that the petitioner owns the development and the Petition is in order.

Mr. Hall recommended that the Board certify all three Annexation Petitions.

It was moved by Trustee Porter and seconded by Trustee Hyer as follows:

That the Annexation Petition for the Longhorn Estates development, the Annexation Petition for the West Creek development, and the Annexation Petition for the Longhorn East development all be certified.

The motion carried by the affirmative vote of Trustees Allen, Berube, Blair, Call, Hyer, Mitchell, Porter, Tait, VanLeeuwen, Vanderwood, and Westbroek.

Consideration of Annexation Approvals

Mr. Hall presented Resolution 2024-15 for the Board's consideration. The adoption of the Resolution will approve the annexation of land owned by nine homeowners in Weber County.

It was moved by Trustee Mitchell and seconded by Trustee Hyer as follows:

That Resolution 2024-15 be adopted, thereby approving the annexation.

The motion carried by the roll call affirmative vote of Trustees Allen, Berube, Blair, Call, Hyer, Mitchell, Porter, Tait, VanLeeuwen, Vanderwood, and Westbroek.

Review and Consideration of Resolution 2024-16

Mr. Hall introduced David Larson and Lance Evans, who represent the Redevelopment Agency of South Weber City (the "RDA"). The RDA has presented an Interlocal Agreement for the Old Fort Community Reinvestment Area ("CRA") pursuant to which the District would consent to the contribution of 50% of the District's share of the "Tax Increment" that will be generated from the Project Area, over a ten year period, to the RDA. The Interlocal Agreement is in harmony with the Central Weber Sewer Improvement District Tax Increment Financing/Guiding Principles (the "TIF Guiding Principles") that previously were approved by the District Board of Trustees. Mr. Larson and Mr. Evans have met with District staff and were given a copy of the TIF Guiding Principles, a copy of which was provided to the Trustees for reference.

Mr. Larson reviewed the Project Area Plan and Budget with the Board. The Project Area includes 3 parcels containing approximately 23 acres which has been zoned "commercial". The Project Area includes an RV sales and service location that is currently under construction, along with an education center, the RV Technical Institute, and a smaller parcel that would serve as a satellite inventory site/storage facility. This Project is anticipated to create more than 100 new jobs. South Weber City is fully behind the Project and has committed to a 100% Tax Increment contribution rate for 10 years.

The RDA is asking the District to participate at a 50% contribution rate for 10 years. CWSID's total increment contribution would be capped at \$89,140. Mr. Larson encouraged the Board to approve the Interlocal Agreement because this is a catalyst project that would help update public infrastructure which, in turn, would pave the way for other projects and economic growth in South Weber. Portions of the Project are already under construction, which is unique, and the owner of the RV property is fully committed to the community. Mr. Larson acknowledged that, while the financial participation is relatively small, the tax increment request is a big ask for the RDA. This is possibly the only economic development opportunity South Weber City will have, and he asked the Board to approve the District's participation in the CRA.

The Trustees asked Mr. Larson to review the site map and confirm that any historical markers and monuments on the property would be conserved. Mr. Larson confirmed that historical monuments would not be impacted by the Project. Trustee Berube expressed concern about a comment that was made to the effect that "this will help the business be more competitive." Trustee Westbroek responded that a more correct wording would be "more successful." Trustee Hyer noted that he was having a hard time seeing the "RE", as in redevelopment, of this Project, since the land currently is an open field. Trustee VanLeeuwen stated that this Project will improve public infrastructure, such as the mitigation of a canal on the property. Trustee Tait inquired about the participation request, and asked Mr. Larson to clarify the Project Budget.

Trustee Berube stated that the Board wants to help the RDA with this opportunity. Trustee Porter said that mitigating the canal and other upgrades makes this Project align with the TIF Guiding Principles. Trustee Call asked if the terms were set forth in Exhibit A and the proposed Interlocal Agreement. Mr. Hall and Mr. Larson confirmed that the 50% participation rate for 10 years in the Project Area Plan and the Project Budget match the TIF Guiding Principles. Chairman Allen commented that this is a good project for South Weber City.

It was moved by Trustee Westbrook and seconded by Trustee VanLeeuwen as follows:

That Resolution 2024-16, approving an Interlocal Cooperation Agreement with the Redevelopment Agency of South Weber City, be adopted and approved.

Trustee Westbrook withdrew the motion due to a conflict of interest as the Mayor of South Weber City, and Trustee VanLeeuwen concurred with the withdrawal.

It was then moved by Trustee Berube and seconded by Trustee Porter as follows:

That Resolution 2024-16, approving an Interlocal Cooperation Agreement with the Redevelopment Agency of South Weber City, be adopted and approved.

The motion carried by the roll call affirmative vote of Trustees Allen, Berube, Blair, Call, Hyer, Mitchell, Porter, Tait, VanLeeuwen, Vanderwood, and Westbrook.

Review and Consideration of Riverdale West Bench RDA Project Area Extension TEC Recommendation

Mr. Hall introduced Brandon Cooper, who is with the Riverdale Redevelopment Agency (RDA). Mr. Hall reminded the Trustees that, in July, the Board delegated authority to Mr. Hall to represent the District on the Taxing Entity Committee (TEC). The Riverdale RDA was requesting an amendment and extension of the West Bench RDA Project Area Plan and Budget by the TEC. Mr. Hall requested guidance from the Board on how to represent the District at TEC meetings.

Mr. Cooper reminded the Trustees that this is an existing RDA Project Area. Most of the site is vacant, but it has been the campus of America First Credit Union's main office. The Project Area was formed in 2005, and a Taxing Entity Committee vote is needed to amend the Project Area Plan and Budget. Currently, no tax increment is being collected for the Project Area. The amended Project Area site would include an expanded America First Credit Union campus, along with housing, hospitality, retail and commercial office buildings. This Project Area Plan amendment would also help improve roads and access to the Project Area. There is a significant infrastructure gap in the area in both wet and dry improvements, and roadway improvements. These improvements would be an upgrade to land that has been vacant and underutilized. The District has received an average of \$19,000 in property taxes per year from the Project Area over the past 14 years. The Riverdale RDA is asking for an 80% participation for 20 years from CWSID, with the District's tax increment contribution to be capped at \$1,841,260.

Trustee Tait asked for clarification regarding the 20 year extension request. Mr. Cooper explained that the 20 year extension would be 20 years from the current 2025 expiration date. Trustee Vanderwood reported that the Finance Committee met with Mr. Cooper regarding this request and, although this is a great project that will benefit the community, the Finance Committee was concerned about setting a bad precedence by not adhering to the TIF Guiding Principles. Trustee Vanderwood recommended that the Board stay within the TIF Guiding Principles because the request puts too much financial pressure on the District for 20 years. Trustee Berube added that

the Finance Committee looked for advice regarding whether this project was “grandfathered” prior to the adoption of the TIF Guiding Principles and whether the TIF Guiding Principles would apply to existing project areas. Trustee Berube also recommended that the District follow the TIF Guiding Principles. Trustee Vanderwood reminded the Board that the TEC could vote differently and the District could be overridden on the issue.

Trustee Mitchell declared that he has a vested interest in this project as the Mayor of Riverdale City. He advised the Board that, if America First Credit Union plans to invest more than \$1 Billion in the Project Area, this is an opportunity for the District to participate in a very beneficial project.

Mr. Cooper agreed that setting a bad precedent is not desirable for the future of the District, but he encouraged the Board to view this extension request through the lens of a grandfather clause. He reminded the Trustees that the District is already in a position that doesn’t meet the TIF Guiding Principles and the Trustees are not approving an interlocal agreement but, instead, the Board will simply provide guidance to Mr. Hall.

Trustee Hyer stated that the TIF Guiding Principles are in place to help enable development that might not happen without the District’s participation. He reminded the Board that America First Credit Union is a well-established company that could make a valuable investment in the region.

Trustee Call asked Mr. Anderson if there is a conflict of interest if a Trustee is a stakeholder/member of America First Credit Union. Mr. Anderson advised the Trustees that it may be prudent for affected Trustees to declare a possible conflict prior to voting. Trustees Allen, Call, Hyer, Mitchell, Porter, and Westbroek responded in the affirmative, as being stakeholders in America First Credit Union.

Chair Allen expressed concern that Washington Terrace City went through a similar RDA extension years ago. He asked Mr. Cooper why Riverdale is asking for more than the District’s TIF Guiding Principles. Mr. Cooper responded that Riverdale looked at the total costs necessary to make the improvements feasible. Once the Budget was established, Riverdale City recommended an 80% participation level, as any lower amount would make the project less feasible for America First Credit Union.

Mr. Anderson reminded the Board that his vote as a member of the TEC will be up to Mr. Hall, and that Mr. Hall represents a number of taxing entities, not just CWSID. Mr. Hall suggested that the Board consider a motion that includes the terms the Trustees would recommend that he consider before participating in the TEC vote.

Mr. Anderson suggested that a motion could be made to stand by, or not stand by, the TIF Guiding Principles but, ultimately, Mr. Hall will have to make the final decision regarding his vote. Mr. Anderson further clarified that a distinction could be made because this Project Area Plan amendment is for an existing RDA, and a new formal agreement with the District won’t be required. Consequently, different guidance could be given, other than to strictly follow the TIF Guiding Principles.

Trustee Call asked if a Public Infrastructure District (PID) would be created to help fund the improvements. Mr. Cooper responded that America First Credit Union has access to cheaper money than a PID could find.

It was moved by Trustee VanLeeuwen and seconded by Trustee Allen as follows:

It is recommended that Kevin Hall stand by the District's TIF Guiding Principles when voting as a member of the Taxing Entity Committee on the proposal to extend the Riverdale West Bench RDA, and to support a participation rate of no more than 50% and a participation term of not to exceed 12 years.

The motion failed by the weighted dissenting vote of Trustees Blair, Hyer, Mitchell, Porter, and Tait, with Trustees Allen, Berube, Call, VanLeeuwen, Vanderwood, and Westbroek voting in the affirmative.

It was then moved by Trustee Blair and seconded by Trustee Hyer as follows:

It is recommended that Kevin Hall vote in the affirmative, as a member of the Taxing Entity Committee, to extend the Riverdale West Bench RDA with a participation rate of no more than 80% and a term of participation of not to exceed 20 years.

The motion carried by the weighted affirmative vote of Trustees Blair, Hyer, Mitchell, Porter, and Tait, with Trustees Allen, Berube, Call, VanLeeuwen, Vanderwood, and Westbroek voting "nay" or "no".

Possible Closed Meeting Concerning Pending & Threatened Litigation, Purchase of Real Property and/or Personnel Issues

There was no need to go into a closed meeting.

General Manager

Mr. Hall had nothing further to present.

Attorney

Mr. Anderson had no additional business to present.

Other Business

None.

Adjournment

There being no further business to come before the Board, it was moved by Trustee Hyer and seconded by Trustee Porter as follows:

That the Board meeting be adjourned.

The motion carried by the affirmative vote of Trustees Allen, Berube, Blair, Call, Hyer, Mitchell, Porter, Tait, VanLeeuwen, Vanderwood, and Westbroek.

Chairman Allen declared the meeting to be adjourned at 6:26 p.m.

Approved by the Board of Trustees of the Central Weber Sewer Improvement District on the 21st day of October, 2024.

Mark C. Allen, Chairman

ATTEST:

Camille Cook, Clerk