

BOARD OF TRUSTEES MEETING MINUTES

November 27, 2023

** District Office**

5:00 p.m.

I. CALL TO ORDER

The November 27, 2023, Board of Trustees meeting was called to order by Chair Jan Wilking at 5:00 p.m. Other Board members in attendance were Mary Ann Pack, Robert Richer, Richard Pick, and Ryan Dickey. Staff in attendance were Mike Luers, Dan Olson, Chad Burrell, Kevin Berkley, Bryan Steele, Jordan Probst, and Kim Dudley. Also, in attendance were Craig Ashcroft, Carollo Engineers, and Brian Baker, Zions Bank.

II. CONSENT AGENDA

- A. Approval of Board Meeting Minutes for October 23, 2023
- B. Escrow Fund Reduction Approval
 - 1. Discovery Ridge Subdivision (Phases 1, 2, & 3) – Retain 0%
 - 2. Sage Hills
- C. Final Project Approval – Sage Hills

Mr. Luers told the Board that there was a revised agenda in front of them. The Sage Hills project has been removed from the agenda. Therefore, no action will be taken on the Sage Hills project.

Mr. Richer made the motion to approve the Consent Agenda items A. and B.1., Mr. Dickey seconded, and the motion carried with Mr. Pick, Mr. Dickey, Mr. Richer, Ms. Pack, and Mr. Wilking voting in the affirmative.

III. PUBLIC INPUT – There was no public input.

IV. APPROVAL OF EXPENDITURES – Bills in the Amount of \$1,829,853.97 – Mr. Luers discussed the bills in the amount of \$1,829,853.97. He said there is \$530,000 to Michels for the lining project that we are wrapping up. He also stated that they are an excellent company to work with and we look forward to working with them again.

Mr. Pick asked about the charges from Weber Basin. Mr. Luers replied the \$25,000 expenditure is a payment for an agreement we began in 2013 with Park City Municipal, Summit Water, Mountain Regional, Gorgoza Mutual Water, and Weber Basin. Part of the agreement is that each entity pays Weber Basin to manage the wholesaling of water and it also states in the master agreement that Weber Basin will do all they can for streamflow augmentation.

Mr. Pick also asked who participates in the payments to USGS beside us. Mr. Burrell responded Park City Municipal, Summit Water, Mountain Regional, Gorgoza Mutual Water, and Weber Basin. Mr. Pick asked how many gauging stations are there. Mr. Luers said there are five. He said that the information we receive is critical for the water quality studies we are about to conduct.

Mr. Pick made the motion to approve the Expenditures, Mr. Dickey seconded, and the motion carried with Mr. Richer, Mr. Pick, Mr. Dickey, Ms. Pack, and Mr. Wilking voting in the affirmative.

V. SERVICE AWARDS – Jordan Probst – 10 years

Mr. Wilking presented Mr. Probst with his service award and congratulated him on his 10 years of service.

Mr. Burrell wanted to reiterate that being here 10 years is quite an accomplishment. He said that we see a lot of employees come from completely foreign industries to wastewater and they seem to enjoy the work. Mr. Burrell stated that Mr. Probst does his job well, gets along with others, has received certifications from the State, and we're happy to have him on board.

Mr. Burrell and Mr. Luers said they appreciate Mr. Probst for all his hard work.

The Board congratulated Mr. Probst for his 10 years of service.

VI. SUBDIVISION PROJECTS

**Estimated LEA REs Year to Date: # Above Splitter 0; # ECWRF 0; # SCWRF 0; Total 0
Proposed this Meeting: # Above Splitter 0; # ECWRF 0; # SCWRF 0; Total 0**

VII. DISTRICT MANAGER

A. Action Items

1. Consider adopting 2024 Tentative Budget & Set Public Hearing for December 19, 2023 @ 6:00 p.m. – Mr. Luers stated that we have adjusted the Tentative Budget \$250,000 for the East Canyon Expansion Project and made a few corrections and adjustments since the last meeting. Otherwise, the big adjustment was the \$250,000.

Mr. Pick stated that we talked about the extra \$250,000 being for equipment for the expansion. Mr. Luers replied that is correct. These are things wearing out and would have to be replaced one way or another. The total project's costs would be reduced if we decided to proceed with the project.

Ms. Pack made the motion to approve the updated Tentative Budget with the extra \$250,000 for the East Canyon Expansion Project and set the Public Hearing for Tuesday, December 19, 2023 @ 6:00 p.m., Mr. Richer seconded, and the motion carried with Mr. Dickey, Mr. Pick, Mr. Richer, Ms. Pack, and Mr. Wilking voting in the affirmative.

2. Consider Selecting/Contract for Underwriting ECWRF Project – Mr. Luers said this is a no cost item until we underwrite the bonds and introduced Mr. Baker with Zions Finance. He said that Mr. Baker assisted us with 8 different proposals.

Mr. Baker said it was good to see everyone and handed out information on the underwriters that were being considered for selection as shown below:

Snyderville Basin Water Reclamation District
Underwriter RFP Summary Results

Wells Fargo

	Score	Weight	Lowest TIC	Wells Fargo TIC
Firm Description	7	10.5	3.830%	4.010%
Firm Experience	9	31.5		
Recommendations	8	24.0		
Pricing & Fees	6	9.0		
Other	Actual 8	4.0		
TIC	4.010%	79.0		

Bank of America

	Score	Weight	Lowest TIC	Bank of America TIC
Firm Description	9	13.5	3.830%	3.830%
Firm Experience	9	31.5		
Recommendations	8.5	25.5		
Pricing & Fees	10	15.0		
Other	Actual 8	4.0		
TIC	3.830%	89.5		

Crews & Associates

	Score	Weight	Lowest TIC	Crews & Associates TIC
Firm Description	6	9.0	3.830%	4.129%
Firm Experience	7	24.5		
Recommendations	9	27.0		
Pricing & Fees	5.5	8.3		
Other	Actual 8	4.0		
TIC	4.129%	72.8		

BNY Mellon

	Score	Weight	Lowest TIC	BNY Mellon TIC
Firm Description	5	7.5	3.830%	3.879%
Firm Experience	6	21.0		
Recommendations	6	18.0		
Pricing & Fees	7.5	11.3		
Other	Actual 6	3.0		
TIC	3.879%	60.8		

JP Morgan

	Score	Weight	Lowest TIC	JP Morgan TIC
Firm Description	6	9.0	3.830%	3.959%
Firm Experience	8	28.0		
Recommendations	8	24.0		
Pricing & Fees	7.5	11.3		
Other	Actual 6	3.0		
TIC	3.959%	75.3		

Stifel Nicolaus

	Score	Weight	Lowest TIC	Stifel Nicolaus TIC
Firm Description	9.5	14.3	3.830%	3.870%
Firm Experience	9.5	33.3		
Recommendations	9	27.0		
Pricing & Fees	9	13.5		
Other	Actual 10	5.0		
TIC	3.870%	93.0		

Piper Sandler

	Score	Weight	Lowest TIC	Piper Sandler TIC
Firm Description	9	13.5	3.830%	3.958%
Firm Experience	9	31.5		
Recommendations	8	24.0		
Pricing & Fees	7.5	11.3		
Other	Actual 10	5.0		
TIC	3.958%	85.8		

Overall

Overall Score
Stifel Nicolaus
Bank of America
Piper Sandler
Wells Fargo
JP Morgan
Crews & Associates
BNY Mellon

Summary of Underwriting Fees and Rates							
Underwriter	TIC	AIC	Total P+I	Avg DS	Estimated Par	Total UD	Coupon Notes
Bank of America 2	3.832%	3.867%	187,422,167	9,371,108	123,640,000	\$ 2.13	5% and 4% coupons
Stifel	3.873%	3.908%	188,084,917	9,404,246	123,315,000	\$ 2.37	5% and 4% coupons
BNY Mellon	3.879%	3.914%	188,184,897	9,409,245	122,550,000	\$ 3.01	5% coupons
Bank of America 1	3.913%	3.948%	188,711,000	9,435,550	118,845,000	\$ 2.13	5% coupons
Piper Sandler	3.958%	3.994%	\$ 189,453,278	\$ 9,472,664	\$ 119,315,000	\$ 1.61	5% coupons
JP Morgan	3.959%	3.994%	189,471,917	9,473,596	119,325,000	\$ 2.11	5% coupons
Wells Fargo	4.009%	4.045%	190,303,403	9,515,170	120,695,000	\$ 2.35	5% and 4.25% coupons
Crews & Associates	4.129%	4.164%	192,282,250	9,614,113	121,095,000	\$ 2.68	4-5% coupons

Experience with Utility Revenue Bonds			
	Utah Par		National Par
	Utah Deals	Utah Par	
Stifel	16	520,000,000	180
Piper Sandler	3	32,530,000	180
Bank of America	2	797,600,000	167
Wells Fargo	2	89,000,000	84
JP Morgan	0	-	101
Crew & Associates	0	-	55
BNY Mellon	0	-	5
AmeriVet Securities	0	-	0
			4,980,000,000
			3,900,000,000
			31,600,000,000
			8,000,000,000
			17,398,000,000
			658,000,000
			465,000,000

Snyderville Basin Water Reclamation District, Utah
 Sewer Revenue Bonds
 Series 2023
 (Underwriter RFP Summary)

Underwriter	TIC	AIC	Total P+I	Avg DS	Estimated Par	Total UD	Call Provision	Coupon Notes
Piper Sandler	3.958%	3.994%	\$ 189,453,278	\$ 9,472,654	\$ 119,315,000	\$1,610/1,000	10 year call	5% coupons
Stifel	3.873%	3.908%	188,084,917	9,404,246	123,315,000	\$2,368/1,000	10 year call	5% and 4% coupons
Bank of America 1	3.913%	3.948%	188,711,000	9,435,550	118,845,000	\$2,134/1,000	10 year call	5% coupons
Bank of America 2	3.832%	3.867%	187,422,167	9,371,108	123,640,000	\$2,134/1,000	10 year call	5% and 4% coupons
JP Morgan	3.959%	3.994%	189,471,917	9,473,596	119,325,000	\$2,116/1,000	10 year call	5% coupons
Wells Fargo	4.009%	4.045%	190,303,403	9,515,170	120,695,000	\$2,347/1,000	10 year call	5% and 4.25% coupons
AmeriVet Securities	3.941%	3.976%	189,170,278	9,458,514	119,135,000	Wants to be Co, using Stifel's UD	10 year call	5% coupons
BNY Mellon	3.879%	3.914%	188,184,897	9,409,245	122,550,000	\$3,010/1,000	10 year call	4-5% coupons
Crews & Associates	4.129%	4.164%	192,282,250	9,614,113	121,095,000	\$2,680/1,000	8 year call	5% coupons



ZIONS PUBLIC FINANCE, INC.

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After reviewing the considered underwriters there were a few comments and questions.

Mr. Luers stated that Kelly Murdock, Stifel Nicolaus has spent a lot of time working with us and he appreciates all his efforts.

Mr. Richer asked how the 8 potential candidates were selected. Mr. Baker replied that we sent the RFP out to 6 firms and after reviewing the 5 firms that responded it was determined to open it up to a state bidding platform and received 3 additional potential candidates. Mr. Richer also asked who determines the rate. Mr. Baker responded bond rating agencies.

Mr. Wilking asked how the underwriter gets compensated. Mr. Baker said that when the bonds are issued and how they sell the bonds.

Mr. Dickey asked why we would select an underwriter now when we're not sure we'll be issuing bonds for another 2 years. Mr. Baker replied the feeling was since we went through the RFP process and it's a no cost option until the bonds are issued it made sense.

Mr. Wilking said there is no type of contract. Mr. Luers replied there is no contract.

It was recommended that Stifel Nicolaus be selected as the underwriter for the ECWRF Project.

Mr. Richer made the motion to approve the selection for the Underwriter ECWRF Project and award it to Stifel Nicolaus, Ms. Pack seconded, and the motion carried with Mr. Richer, Mr. Pick, Mr. Dickey, Ms. Pack, and Mr. Wilking voting in the affirmative.

B. Discussion Items

1. 2024 Board Meeting Schedule – Mr. Luers reviewed the 2024 Board Meeting Schedule with the Board and asked if they had any changes. After the discussion, the Board decided to change the meetings in September and December. Those changes will be reflected in the 2024 Board Meeting schedule for December where it will be considered for approval.

2. Christmas Brunch, Thursday, December 21, 2023 @ 10 a.m. – Mr. Luers invited the Board to our annual Christmas Brunch which will be held at the East Canyon Training Building, Thursday, December 21, 2023 @ 10 a.m.

C. Information Items

1. Financial Statement
2. Impact Fee Report – Mr. Luers stated that we had 36 RE's which is typical.

VIII. FUTURE AGENDA ITEMS

A. Projects

B. Operations

C. Finance

D. Governmental Matters – Mr. Luers told the Board that we have a special meeting on Tuesday, December 5, 2023 @ 10:00 a.m. to Canvas the Elections.

Mr. Luers gave a quick update on the issues with the Division of Water Quality. We met with our consultant today and are wrapping up a very lengthy letter and scope of work that we'll be sending soon. We haven't heard anything about the construction permit and that will be front and center in our letter to them.

IV. ADJOURN

Mr. Dickey made the motion to Adjourn at 5:47 p.m., Mr. Pick seconded, and the motion carried with Mr. Richer, Mr. Pick, Mr. Dickey, Ms. Pack, and Mr. Wilking voting in the affirmative.



Jan Wilking

Jan Wilking, Chairman

Kim Dudley

Kim Dudley, Administrative Specialist