



**SMSSD 2025 Budget Public Hearing & Board Meeting Minutes**  
**December 19th, 2024, 6pm to 8:30pm**  
**Senior Citizens Center - 101 East 100 North, Mt. Pleasant, Utah 84647**

Available via Zoom Access: <https://us06web.zoom.us/j/8018195705>

One-tap mobile: +16694449171, 8018195705# | Phone: +1 669 900 6833 / Meeting ID: 801 819 5705

## **SMSSD Board Meeting Minutes**

**Board Members in person:** Craig Godwin (J154), Trent Andersen (Section E lots), Ferris Taylor (K35), and Don Hunter (J133, J135)

**Board Member via Zoom:** Beca Mark (GC46)

**Staff:** Roy Fox (C49, C50), Water Superintendent and SMSSD Treasurer, and Jeremy Fox, Water Operator

**SMSSD Customers in person:** Gary Knudsen (GC31), Lou Erickson (A45, Ira & Tricia Wright (B72), Ron & Vicky Yocom (B102), Richard Scutt (C58), Kim Hansen (D4), Mont Pugmire (B19) and one unidentified attendee.

**Guests:** Tim Beesley (Centra Com)

**SMSSD Customers on Zoom:** Beca Mark (Host – GC46), Max Henrie (J70, J75, J76), & Trent Taylor (D46, D47)

The SMSSD Public Hearing was called to order at 6:06 PM by Board Chair Craig Godwin with a welcome to the SMSSD Board and SMSSD customers both in person and those participating electronically. Beca Mark is attending virtually due to a meeting conflict but is facilitating the Zoom access for virtual attendees.

## **Published Meeting Agenda in Bold**

Invocation by Invitation: Don Hunter

### **1. Public Budget Hearing**

#### **- Final 2024 Budget**

- i.** Criag Godwin asked for a motion to open the Public Hearing on budgets. Don Hunter made the motion, seconded by Beca Mark, and approved 5-0 by the SMSSD Board.
- ii.** Referencing the 2024 year-end report that was distributed, SMSSD has a 2024 year-end balance of \$43,221.70. SMSSD is on a cash basis and starts each year at zero unless there is a request to carry over some amount into the next year. The 2024

financial reports are final for the year as there will be no more transactions recorded this year.

- iii. SMSSD Treasurer Roy Fox summarized the 2024 year-end Financials that were provided and noted reports and details are available on the SMSSD website.
- |                                |                    |                                   |
|--------------------------------|--------------------|-----------------------------------|
| 1. 2024 Thad's Peak Grant      | \$95,709.65        | CUWCD funds                       |
| 2. Public Treasurer Investment |                    |                                   |
| Fund (PTIP)                    | <u>\$94,076.49</u> | Bond restructure for 25% match    |
| 3. Impact Fees Account         | \$10,004.19        | Beginning of Impact Study Funding |
| 4. CD Capital Facilities       | \$19,920.43        |                                   |
| 5. Capital Facilities Savings  | <u>\$1,602.46</u>  |                                   |
| Subtotal                       | \$21,522.89        | Can't be used for Operations      |
| 6. CD Debt Service             | \$11,920.43        |                                   |
| 7. Debt Service Savings        | <u>\$1,601.46</u>  |                                   |
| Subtotal                       | \$13,521.75        | Can't be used for Operations      |
| 8. X-Press                     | \$28,624.53        |                                   |
| 9. Loan Payment                | \$25,534.71        |                                   |
| 10. Checking                   | \$8,260.19         |                                   |
| 11. Water Shares               | \$6,520.75         |                                   |
| 12. Warranty                   | \$6,520.75         |                                   |
| 13. Petty Cash                 | <u>\$1,610.13</u>  |                                   |
| Subtotal                       | \$76,971.06        |                                   |

For 30 years there will be a required allocation to Capital Facilities of \$11,441.25 per year.

For 10 years there will be an allocation for Debt Service of \$18,100.00 per year.

- There was an open Q&A on the 2024 financials and details were referenced.

Motion to approve the SMSSD 2024 Financials and Budget as summarized was made by Ferris Taylor, seconded by Beca Mark, and approved 5-0 by the SMSSD Board.

## 2. Final 2025 Budget

- Motion to Open the Public Hearing on the 2025 SMSSD Budget was made by Don Hunter, seconded by Ferris Taylor, and approved by the SMSSD Board by a 5-0 voice vote.
  - i. The major items in the 2025 budget were discussed by the Board and attendees
    1. The renegotiated annual bond payment is \$115,008 which is about \$30,000 less than the previous payment due to a 2.09% interest rate rather than 2.5%.
    2. The bond amount was increased by \$281,000 and the bond required a new term of 30 years. The bond increase is for SMSSD's 25% of the Thad's Peak Project.
    3. The savings over the 30-year life of the bond will be about \$60,000.
  - ii. Lou Erickson asked about \$108,160 Net Income balance from 2024 on page 3 of P&Ls.
    1. Those funds are in contingency line items invested in interest-bearing accounts.
    2. Lou also said the bond has been extended out additional years so more will be paid out over the 30-year period. Craig Godwin explained that to secure the 75%

grant for Thad's Peak and the million-dollar expansion to the water system infrastructure, SMSSD needed to restructure the bond.

3. SMSSD received a \$650,000 CUWCD grant with no strings attached, a direct and significant benefit to SMSSD customers, especially on the Upper Mountain.
- iii. Richard Scutt asked if the workers and contractors were union. The response was that the State bidding process required compliance to state requirements.
  1. The bids were all reviewed by the State and 2 of 3 met all requirements.
- iv. Mont Pugmire shared his experience in trying to fund system expansion for many years. In this case, when Sanpete County pulled out of the CUWCD (Central Utah Water Conservation District), \$5 million was allocated for "shovel ready" projects and Thad's Peak qualified. So, for \$281,000, SMSSD got \$650,000 of that CUWCD money that never has to be paid back.
  1. As a former Board Member and SMR property owner, he can't do anything but commend the board, with SMR's help, making this happen.
- v. Richard Scutt asked about contingencies that are carried over. It was stated that the Board approved starting new contingency accounts for the Upper Mountain and Birch Creek, as suggested at the December 3, 2024, SMSSD Board Meeting.
- vi. Kim Hansen noted the difference in payroll between 2024 and 2025. Craig Godwin explained that SMSSD has 2 employees but because of financial constraints neither of those employees have received any compensation increases since 2017-2018 when they took those positions.
  1. Part of 2024's net income was carried over to accommodate those long-overdue pay and performance-based bonus increases.
  2. Those changes were discussed in two Executive Committee meetings before the SMSSD Board recommended those adjustments be made in the 2025 budgets.

Motion to approve the approve the SMSSD 2025 Budget as provided and discussed was made by Don Hunter, seconded by Ferris Taylor, and approved by a 5-0 voice vote of the SMSSD Board.

A motion to adjourn the Public Hearing was made by Ferris Taylor, seconded by Don Hunter, and approved by the SMSSD Board by a voice vote of 5-0.

### **3. Board Meeting**

A motion to open the December 19, 2024, SMSSD Board Meeting was made by Don Hunter, seconded by Trent Andersen, and approved 5-0 by the Board. Craig Godwin pointed out that the multiple motions on the sections of the meeting are required of SMSSD as a public entity, with a record of the Board's voting

- Tim Beesley from Centra Com returned to answer any Board or attendee questions on the Internet tower being negotiated at Thad's Peak. He has a basketball game to coach tonight.
  1. Centra Com is putting fiber optics everywhere they can, but where they can't, they are putting up towers with this next generation fixed-wireless capability.

2. Centra Com is a hometown firm, not a national company, so if something happens, they are here to solve the problem for the community and SMR.
3. Contract terms are being negotiated but where in some locations a national firm might pay more for a place to put a tower, this area doesn't support that.
4. The proposed tower will provide needed internet access for SMSSD surveillance cameras and alerts, but also more and faster coverage for SMR and others.
5. Centra Com has done 3 or 4 of these contracts in the last month. Twin Oaks and Pine Creek have similar towers next to their water tanks for the same reasons.
6. The tower will not obstruct views. At the top of the tower will be 2 square radio boxes and 3 or 4 round parabolic signal devices.
7. There will be no subleasing of the tower to others without SMSSD approval.
8. Questions were discussed on the implications for the property owners close to the tower. SMSSD will consider what should be said or done with those affected.
9. A 10-year contract is preferred but a minimum 5-year agreement is needed to make the economics for Centra Com feasible and protect SMSSD and SMR.
10. Kim Hansen asked if the SMR Card Readers will work at the Thad's Peak fill station and if they require Internet. Roy Fox explained that the card reader system was an additional \$150,000 and was taken out of the funding at this time.
11. The board has a mockup of a contract for specific terms needed to be decided.
12. Contract details will be addressed later by the SMSSD Executive Committee.

- **Approval of 9-12-2024 meeting minutes**

- i. Prior to the meeting Trent Andersen provided the following language to be added to the September 12, 2024, SMSSD minutes:
  - a. "I would like the minutes to say, I do not and did not say the irrigation shares that SMR controls are not and were not considered in the approval process of the deeds. I have not seen any records of that and we use all of those shares."
  - b. That language was added to the September 12, 2024, minutes.

A motion was made by Don Hunter, seconded by Beca Mark, and approved 5-0 by the Board to accept the September 12, 2024, SMSSD minutes with the above language added.

- **Approval of financials**

- i. Clarifying the earlier 2024 year-end financials, the Thad's Peak grant balance is currently \$95,709.65. The bond amount still open is \$94,076.46. These are not in SMSSD's operating budget but are handled between the CUWCD grant team and the State to assure money comes from where it needs to come and goes where it is supposed to go. Payments are made directly by CUWCD and the State.
- ii. Impact fees can only be used for capital improvements as outlined in the 2019 Impact Study. In answer to earlier questions, Impact Fees must be used within 6 years for identified water system improvements outlined in the SMSSD Impact Study.

- iii. The total of all SMSSD controlled accounts (excluding the PTIF and grant accounts) is \$122,019.89.

Don Hunter made a motion to accept the current financials as stated, seconded by Beca Mark and approved in a voice vote 5-0 by the Board.

- **Update on water system**

- i. The water system is a little different now with the tank at Thad's Peak operating during the winter but also needs to be tested monthly. SMSSD doesn't own a UTV with tracks or snowmobile, so Roy and Jeremy will be looking for volunteers this winter to take them up to get monthly water samples.
- ii. Thanks was expressed to Trent Taylor for the use of his UTV with tracks last week to take the December Drinking Water Board samples.
- iii. If others have equipment with tracks and would be willing to volunteer a trip to the Upper Mountain, let Roy Fox know.
- iv. Mont Pugmire reviewed the Upper Mountain and Birch Creek survey on water system expansion from 7 years ago where over 80% of the property owners said they wanted to have water service, but 79% said they didn't want to pay for it. At that time, the estimate was that expanding full-time water service to the Birch Creek area was about \$2 million and the Upper Mountain was considerably more than that.
- v. It was discussed that SMSSD has an option to purchase the well at the top of Elk Meadow at its original costs which would be under \$90,000. That well has tested at 100 gallons a minute of water, so that purchase would be a serious consideration for the SMSSD board as soon as Impact Fees and/or other finances are available.

- **Thad's Peak Well Project**

- i. The booster pump for the smaller fill hose at Thad's Peak is on backorder.
- ii. The low water pressure does not allow the freezeless faucet to shut off properly.
- iii. Arrangements have been made with Dale Cox Construction to finalize the invoices for all work before December 31, 2024, and for those checks to be written, but held until all the work is completed.

- **Report from SMSSD/SMR Liaison**

- i. Trent Andersen stated that the SMR Board is primarily looking for documents.
- ii. With respect to the Centra Com negotiations the question was asked whether the revenue from the Thad's Peak Centra Com Tower should be shared with SMR.
- iii. Kim Hansen asked if the SMR card readers would work at Thad's Peak without the Internet. It was noted that card readers were not part of the approved project.
- iv. Mike Brems and other SMR Board members have asked questions about the Centra Com tower.
  1. Trent will need to take the SMSSD/Centra Com contract to the SMR Board.
- v. Trent was asked to follow up on locking the RV Dump Station water faucet.

- **New / Old Business**
  - i. The SMSSD Board was reminded of the State requirements to file annual Conflict-of-Interest forms online before January 31, 2025, and to certify annual training on the Open and Public Meeting Act. As the Record's Officer, Don Hunter will also have annual training to be completed on the GRAMA request processes.
  - ii. All were reminded to complete the forms that have been mailed out – the priorities and preferences survey for those in the Upper Mountain and Birch Creek areas and the contact information form for all SMSSD customers.
  
- **Open time for customers on agenda**
  - i. Gary Knudsen shared that he has read the SMSSD Bylaws, and they provide good information. He noted a dangling “c” in Section 6 that can be corrected at some point.
    - 1. As the Bylaws contain a lot of information regarding recent events and where these are “living documents,” the suggestion was that they be updated with the things that were discussed with Commissioner Collard on December 3, 2024.
      - a. Updates and corrections to Bylaws can and should be made via resolutions.
      - b. The next step with Commissioner Collard's discussion is for SMSSD's legal counsel to meet with the Sanpete County Attorney to confirm what needs to be updated.
        - i. If there are changes, it will be in the form of a resolution after the County Attorney and SMSSD legal counsel reach an agreement.
    - 2. Gary also asked about the 4-year SMSSD Board terms and whether there are limits to the number of terms a board member can serve.
      - a. The State's Little Manual does not define a limit to the number of terms board members may serve.
  - ii. Mont Pugmire shared those conversations with Centra Com started over 5 years ago, but SMR couldn't put together enough potential customers to justify Centra Com's costs. The tower in the Fairview Cemetery and the one by the construction garage have been a blessing for many in the full-time area.
    - 1. Now we have a requirement to protect our water system, so it is paramount that the opportunity for high speed Internet goes forward.
  
- **Adjourn**

Motion to Adjourn the Board Meeting and transition to an Executive Meeting was made at 7:36 by Don Hunter, seconded by Trent Andersen, and approved 5-0 by the SMSSD Board.

- **Adjourned to an Executive Meeting**