

SALT LAKE COUNTY

*2001 S State Street, N2-800
Salt Lake City, UT 84114*



Meeting Minutes

Wednesday, September 25, 2024

2:00 PM

Room N2-800

Debt Review Committee

1. Call to Order

Present: Committee Member Darrin Casper
Committee Member Wayne Cushing
Committee Member David Delquadro
Committee Member Greg Folta
Committee Member Mitchell Park
Ex-Officio Member Johnathan Ward
Chair Ralph Chamness

Excused: Committee Member Chris Harding

2. Public Comment**3. Approval of Minutes**

Approval of minutes from the July 31, 2024 Debt Review Committee Meeting [24-2135](#)

Attachments: [Salt Lake County Debt Review Meeting Minutes 2024-07-31](#)

A motion was made by Committee Member Park, seconded by Committee Member Delquadro, that this agenda item be approved. The motion carried by a unanimous vote.

Approval of minutes from the August 08, 2024 Debt Review Committee Meeting. [24-2136](#)

Attachments: [Salt Lake County Debt Review Meeting Minutes 2024-08-08](#)

Committee Member Park stated, for the record, the numbers discussed in the first meeting were revised in the second meeting.

Committee Member Delquadro suggested a passage from the first page of the August 8th minutes be shortened to: “The number of therapists went from eight to four.”

A motion was made by Committee Member Park, seconded by Committee Member Delquadro, that this agenda item be approved with the correction noted above. The motion carried by a unanimous vote.

4. Debt Review Committee Public Comment Policy

Committee Member Chamness stated he had not gotten around to distributing the Public Comment Policy, but he would do so before the next meeting.

5. Financial Advisor Update

Mr. Japheth McGee, Vice President, Zions Public Finance, delivered the Market Update. The Federal Reserve implemented a 50 basis point cut at the most recent meeting. There has been a little movement on the front end of the yield curve. Overall, it was not that big of a shift. Rates are lower.

Committee Member Ward stated as far as future rate reductions go, there will probably be another two rate cuts by the end of the year. In looking at ratios on the bottom left side of chart, the taxable and municipal ratios are merging together, which is indicative of that municipal ratio getting narrower. This works against the County's refunding because the outstanding Build America bonds are make-whole bonds.

6. GO Bond Calendar Review

Committee Member Ward reviewed the calendar of events.

- September 17, 2024: Public hearing and consideration of a procedures resolution outlining election steps and the election notice.
- September 23, 2024: Last day an eligible voter may submit rebuttal arguments to the County Clerk (250 words or less).
- October 4, 2024: By this date the County must (i) post the arguments and rebuttal arguments to the statewide electronic Utah voter information website and the County's website and (ii) publish the arguments and rebuttal arguments in the County newsletter or other periodical (if applicable).
- October 8, 2024: County Council to hold a "public meeting" to allow presentation of arguments for and against ballot proposition and public comments (after 6:00 PM).
- October 11, 2024: Mail voter information brochures to homes of residents in English and Spanish (must be between 45 and 15 days prior to the Election or September 23rd and October 21st).
- October 11, 2024: County Council must post audio recording of public meeting to its website and/or make digital copies available at its office building.
- October 15, 2024: Publication of the "Notice of Bond Election" on the Utah Public Notice Website and in a public location that is likely to be seen by the residents of the

County.

7. **Library Bond and Reimbursement Resolution**

Ms. Leslie Workman-Webster, Department Fiscal Administrator, Library, reviewed the four library bond projects for the West Valley, Midvale, Sandy, and Whitmore branches.

She stated she had already met with the Mayor's Office, which asked that she present to the Debt Review Committee and then return with a recommendation. She reviewed the following three scenarios:

Scenario One, the worst-case scenario would be purchasing land and rebuilding the West Valley branch into a collection and resource services (CRC) Building. The Midvale branch would be rebuilt. Sandy would be remodeled. The Whitmore branch would be torn down and rebuilt on site. This would require bonding.

Scenario Two would involve purchasing a CRC building. This would not require buying land, but would involve bonding.

Scenario Three would involve paying cash for the building purchases.

Ms. Workman-Webster let the committee know that the Kearns building was built with the last group of bonds. There is a payoff of \$9.3 million, and there is enough in the fund balance to do that. New Market Tax Credits were another option, at least for the Midvale location, and possibly others, as opposed to bonding.

Committee Member Chamness asked what the Mayor's proposed timing was.

Ms. Robin Chalhoub, Director, Community Services Department, stated it would coincide with the reimbursement resolution. That needed to be mapped out right now to see if the Mayor would approve it.

Committee Member Park stated it can be difficult for policy makers to pass a tax increase based on decisions that were made before they came to office. His advice was that the Council is a perpetual body, and members come and go. It is one Council continuously and policy decisions are subject to review and revision. Everything is subject to existing policy decisions that have already been made.

Mr. Japheth McGee, Vice President, Zions Public Finance, stated it has been shown

that half or more of entities that go out with Lease Revenue bonds do not capitalize interest. That policy decision could be married with the tax increase decision to alleviate pressure for future councils. It would also be more economically efficient.

Ms. Workman-Webster asked if it would be best to go with the worst case scenario.

Committee Member Casper stated it would be.

Ms. Workman-Webster stated she would get new numbers.

8. Midvale Office Purchase

Ms. Megan Hillyard, Director, Administrative Services Department, stated if anyone wanted to take a tour of the new building, she could arrange that.

Committee Member Casper stated this project started after the Real Estate team was challenged to look at the assets on the balance sheet in a different way. Evaluation of the Government Center took front and center because it is a 500,000 square foot building on 14.1 acres of land. This is largely a waste of space. A Service Opportunity Assessment Review (SOAR) group was formed, and shortly thereafter, COVID happened, which resulted in the square footage needs of the County decreasing. The Government Center is functionally obsolete and would require \$124 million worth of deferred maintenance to continue operating. The land would be significantly more valuable to the County if used for multi-family housing, and it could also generate tax revenue. He reviewed a financial analysis for the purchase of the building formerly owned by Overstock.com in Midvale City.

9. Other Business

Committee Member Chamness stated the next meeting would be on October 23rd, 2024. He asked the committee members to please bring forward any other agenda items. He would have the public comment policy ready by then.

Committee Member Park stated it might be prudent to look at the rotation of responsibility to determine who might be the Chair next year.

10. Adjourn

The meeting was adjourned at 3:20 PM.

LANNIE CHAPMAN, COUNTY CLERK

By _____
DEPUTY CLERK

By _____
CHAIR, DEBT REVIEW COMMITTEE