

Minutes of the Salem City Municipal Building Agency Meeting held on December 11, 2019 in the Salem City Council Chambers.

**MEETING CONVENED AT:** 7:00 p.m.

**CONDUCTING:** Mayor Kurt L Christensen

**COUNCIL PRESENT:**

Chairman Kurt L Christensen  
Board Member Cristy Simons  
Board Member Seth Sorensen  
Board Member Howard Chuntz  
Board Member Sterling Rees  
Board Member Craig Warren

**STAFF PRESENT:**

Jeffrey Nielson, Finance/Recorder, Excused  
Junior Baker, City Attorney  
Chief Brad James, Police Chief  
Ted Barnett, Power  
Matt Marziale, PW/Recreation  
Bruce Ward, City Engineer  
Steve Cox, Building Dept.  
Allison Taylor

**OTHERS PRESENT**

Delys Snyder, Ken Meads, Robert Taylor, Kelly Peterson, Reed Nelson, J. Ward, John Bowcut, Bryan Perry, David Rice, Jon Ward, Greg Snaylor, Garrett Seely, Tucker Pedersen, Rhonda Hair, Karen Taylor, Michael Skarda

**1. CONSIDERATION FOR ADOPTION OF A RESOLUTION OF THE CITY COUNCIL OF SALEM CITY, UTAH AUTHORIZING AND APPROVING THE EXECUTION AND DELIVERY OF A MASTER LEASE AGREEMENT BY AND BETWEEN THE CITY AND THE MUNICIPAL BUILDING AUTHORITY OF SALEM CITY, UTAH (THE "AUTHORITY"), AND A GROUND LEASE AGREEMENT; AUTHORIZING THE ISSUANCE AND SALE BY THE AUTHORITY OF ITS LEASE REVENUE AND REFUNDING BONDS, SERIES 2020, IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT MORE THAN \$4,000,000 AND RELATED MATTERS**

Attorney Junior Baker stated the Municipal Building Authority was created to allow financing to purchase property. They started looking at the purchase of this property because of the Central Utah Water Conservatory District pipeline, they need some of the property to straighten out Canal Road. He introduced Jonathon Ward. Jonathon Ward, of Zions Bank, said the building authority is a nonprofit group that receives financing for real estate, they then enter into a lease agreement with the city council. After this is approved in the MBA meeting it will also need to be approved by the city council. He said the rates are very low right now, they are looking at 2.7 or 2.8% for 20 years. The rates are so low they are going to refinance the sales tax bond. He asked if there were any questions. Chairman Kurt Christensen asked what the current rate was on the sales tax bond. Jonathon replied it was 3.95%, so it is a significant cut.

**MOTION BY:** Board Member Howard Chuntz to approve consideration for adoption of a resolution of the Municipal Building Authority of Salem City authorizing and approving the execution and delivery of a master lease agreement by and between Salem City and the Municipal Building Authority of Salem City, Utah, and a ground lease agreement; authorizing the issuance and sale by the authority of its lease revenue and refunding bonds, series 2020, in the aggregate principal amount of not more than \$4,000,000 and related matters.

**SECONDED BY:** Board Member Seth Sorensen.

**VOTE:** All Affirmative (5-0).

## **2. APPROVAL FOR REVIEW AND FINALIZATION OF MINUTES FOR DECEMBER 11, 2019 MBA MEETING**

Attorney Baker stated they need to approve the minutes tonight.

**MOTION BY:** Board Member Craig Warren that the minutes of December 11, 2019 MBA meeting be prepared and mailed to each member of the Municipal Building Authority, and that each member will confirm with the secretary that they did receive the minutes. The Board will have ten days to review the minutes and submit any changes to the secretary. If after ten days, there are no changes the minutes will stand approved. If there are changes, the process will be followed until all changes are made and the Board is in agreement.

**SECONDED BY:** Board Member Howard Chuntz.

**VOTE:** All Affirmative (5-0).

## **3. ADJOURN MUNICIPAL BUILDING AUTHORITY MEETING**

**MOTION BY:** Board Member Seth Sorensen to adjourn the Municipal Building Authority Meeting.

**SECONDED BY:** Board Member Cristy Simons.

**VOTE:** All Affirmative (5-0).

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Jeffrey Nielson, City Recorder