

Minutes
Levan Town Public Hearing
December 14, 2022
7:00pm

Hearing began at 7:02pm

Welcome: Mayor Bruce Rowley

In Attendance: Mayor Bruce Rowley
Councilmembers: Ray Evans, Nick Mangelson,
Shannon Thomas
Town Staff in Attendance: Justin Thomas, Christine
Carrigan, Jason Worwood
Others in Attendance: Jon and Andrea Burton, Rebecca Dopp, Michael Royce, Dwight
Angus, Carol Bennett, CJ & Madeline Nuccitelli, Tyler Faddis (Jones & Demille Project
Manager)

1. Take Public Comment on the Issuance of Water Revenue Bonds

On November 9th, 2022, the Mayor and Town Council of Levan Town adopted a resolution declaring its intention to issue its Water Revenue Bonds pursuant to the Utah Local Government Bonding Act.

The Issuer intends to issue the Bonds in the principal amount of not to exceed \$2,000,000, to bear interest at a rate not to exceed 3.0% per annum, to mature in not more than 35 years from their date or dates, and to be sold at a price not less than 100% of the total principal amount thereof, plus accrued interest to the date of delivery.

The Issuer intends to issue the Bonds for the purpose of (i) financing all or a portion of the cost of construction of culinary water system improvements for the Town, including the replacement of aged and failing lead jointed ductile iron pipe, together with related improvements; and (ii) to pay costs of issuing the Bonds. Estimated cost of the Bonds:

Although the Resolution authorizes the issuance of Bonds in the aggregate principal amount of up to \$2,000,000, the Issuer anticipates that the actual principal amount of the Bonds will be issued in the amount of \$1,433,000, in which case the estimated total cost to the Issuer for the proposed Bonds is \$1,968,100, which includes an estimated cost of interest on the Bonds as \$535,100.

Tyler Faddis from Jones and Demille, said that the total cost of the project would be \$2.8 million dollars. Mayor Rowley said the town has a grant for \$1,433,000 million and that the town is putting \$39,000.00 up front for the project and then would receive the grant money. The town has already set aside the \$39,000.00. Rowley added that the Town would then begin paying back the \$1.4 million at 2% interest.

Mayor Rowley said the reason we are doing this, is our water system doesn't meet the specifications of the State.

Jason Worwood, Utilities Supervisor, said we must have all of the lead out of our system by a certain date. The Town must inventory all the lead in the service lines by 2024. The EPA wants all lead out of every system. He added that a lot of the lines are deteriorating and frequently fail.

Dwight Angus asked what percentage of the lines needed to be replaced. Jason estimated about 80%.

Mayor Rowley noted that without the grant the monthly water bill would go up \$57.00 and only 20 cities and towns in Utah received this grant.

The Mayor and Utilities Supervisor answered questions about water loss through leaks in the system. Tyler Faddis said Levan loses as much as 30 gallons per minute because of these leaks.

Andrea Burton asked when the project would be done. The Mayor said they would begin taking bids right away. Tyler said that the Water System was being Engineered now and they would begin the Project in the late Spring and estimate it to be completed in the late Fall.

Adjournment of Public Hearing:

Motion: Ray Evans

2nd: Nick Mangelson

All were in favor. The motion was Approved. The hearing was adjourned at 7:22 pm.

Christine Carrigan, Clerk

