

**MINUTES OF THE TAYLORSVILLE-BENNION
IMPROVEMENT DISTRICT BOARD MEETING HELD MARCH 24, 2014**

The regular monthly meeting of the Board of Trustees of the Taylorsville-Bennion Improvement District was held at 3:02 p.m. Monday, March 24, 2014 at the District office. Present were Trustees Behunin, Swensen and Russell. Also present were General Manager, Keith Lord; Assistant General Manager, Kevin Fenn; Controller, Mark Chalk; Attorney, Bill Gibbs; Engineer, Paul Hirst; and Secretary, Tami Fullmer. The prayer was offered by Bill Gibbs.

Common Consent Items Minutes Upon review and discussion of the February 19, 2014 Board Minutes the following motion was made by Trustee Russell seconded by Trustee Swensen:

RESOLVED: To approve the February, 2014 Minutes. The motion passed with the following individuals voting in the affirmative: Trustees Behunin, Swensen and Russell.

Monthly Calendar The General Manager discussed the March Board meeting that will take place Wednesday, April 16, 2014 at 3:00 p.m. All Board members plan to attend. The General Manager discussed the Member Agency Meeting that will be held Wednesday, April 16, 2014 at 10:00 a.m. until noon at JVWCD. The meeting gives a lot of beneficial information on Utah's water outlook. Mark Chalk will be attending the UGFOA Conference in St. George April 16 – 18, 2014. Kevin Fenn and Tom Gordon will be attending the WEAU Conference in St. George, April 30 – May 2, 2014.

Trustee's Expense Report The General Manager reviewed the Trustee Expense Report and after discussion the following motion was made by Trustee Swensen seconded by Trustee Russell:

RESOLVED: To approve the Trustee Expense Report. The motion passed with the following individuals voting in the affirmative: Trustees Behunin, Swensen and Russell.

Financial Report Accounts Payable Discussed: construction/operation and maintenance vouchers 28089 – 28217 for a total of 129 vouchers, with a dollar amount of \$547,183.04; payroll vouchers 2014085 – 2014112 and 2014113 – 2014139 for a total of 55 vouchers with a dollar amount of \$153,363.41. After discussion the following motion was made by Trustee Russell seconded by Trustee Swensen:

RESOLVED: To approve the Accounts Payable report included in the Board Book. The motion was passed with the following individuals voting in the affirmative: Trustees Behunin, Swensen and Russell.

Financials Report Controller, Mark Chalk reviewed the monthly financial report. Documents regarding the financial position of the District were reviewed and discussed. After a thorough review the reports were directed to be appended to the minutes.

Consider approval of certification of delinquent accounts to Salt Lake County Treasurer The Controller presented the certifications for the month of March, 2014. After discussion the following motion was made by Trustee Swensen seconded by Trustee Russell:

RESOLVED: To approve the certification amount of \$26,693.29. The motion passed with the following individuals voting in the affirmative: Trustees Behunin, Swensen and Russell.

Consider approval of Resolution 14-02, revising the Asset Capitalization Policy The Controller discussed with the Board the need to revise the Asset Capitalization Policy pertaining to the retention schedule of service trucks and pump houses. Management has made the decision to retain service trucks for five years instead of three years which has saved the District money. Management has found that the trucks are selling at the same price after five years which is a good financial move for the District. Pump houses depreciate at the same rate as other buildings, therefore, and the Controller recommended that the pump houses, for depreciation purposes, be grouped with other buildings, and not as a separate line item. These changes need to be reflected in the policy for the purpose of an audit. After discussion the following motion was made by Trustee Russell seconded by Trustee Swensen:

RESOLVED: To approve the revised Asset Capitalization Policy as outlined in Resolution 14-02. The motion passed with the following individuals voting in the affirmative: Trustees Behunin, Swensen and Russell.

Manager's Report Follow up Discussion of Septic Tank Issue The General Manager reported that a letter, enclosed in the board book, was sent to Taylorsville City, the homeowner, Mr. Lopez; a neighbor, Mr. Klein and the Salt Lake Valley Health Department. Mr. Lopez, the homeowner has contacted the General Manager. The District has not heard from Taylorsville City. Jeremy Roberts, a manager at the Salt Lake Valley Health Department, explained that they were aware of the home in question and would enforce the action of connecting to the District sewer line but the official notice to connect would need to come from the District. After a lengthy discussion the following motion was made by Trustee Russell seconded by Trustee Swensen:

RESOLVED: To approve sending an official notice to the homeowner/landlord at 1530 West 4920 South to connect to the District sewer line. The motion passed with the following individuals voting in the affirmative: Trustees Behunin, Swensen and Russell.

Consider approval of Resolution 14-03, Policy for Use of Company Facilities by Outside Organizations The General Manager discussed with the Board a possible need for a policy for use of company facilities by outside organizations. After discussion by the Board, the unanimous decision was not to take any action on this resolution.

Report on Training for Board Members The General Manager reported that he talked with the State Auditor regarding Board Member training. Utah Code, 52-4-104 states. "The presiding officer of the public body shall ensure that the members are provided with annual training." He stated that the District needs to make it a matter of official record and should be stated in the Board Meeting minutes that the District has complied with State law. It is important to make

sure all of the open meetings laws are being practiced. A first year, or new trustee, requires more training to learn and understand meeting protocol. The General Manager explained that this is an ongoing concern and will consciously involve training for the Board.

Discussion regarding Section 17B-1-121, Utah State Code The General Manager discussed this statute in the Utah State Code, because of a conflict with a large Utah developer who is unhappy with the District designs and the costs associated with them. The District and CRS Engineers have worked to maintain excellent design and construction standards and applied these consistently throughout the entire area. It is the District's desire to continue this practice. It was noted that developers usually hire less experienced young engineers to design their projects, which usually results in a less than satisfactory outcome. The Attorney explained that the Engineer for the District is doing an excellent job and there is not a need for action.

Legal Report Nothing to report

Operations Report Water Usage & New Connections Mr. Fenn reviewed and discussed the water usage report with the Board and directed the schedules to be appended to the minutes.

Projects The Standard Specifications are in the hands of CRS and are being reviewed and developed. The specifications for the CIPP project are complete and the prequalifying packages are due from the contractors by April 1. The 4100 S Sewer Replacement Project is being split into two phases; with the Grizzly Gulch to be constructed this year and the 4100 South portion to be completed in 2015. The Grizzly Gulch preliminary design portion has been completed. Mr. Fenn reported that the motor for the Rawson Well Rehab project has arrived but now there are issues with the cable, which is wet and needs to dry before it can be installed. The motor installer and motor manufacturer have been at odds and the District is trying to resolve issues in order to install the motor. The Sewer System Condition Study is being delayed and will be done when time permits. The 3900 S Lift Station Grating project is designed and ready to go but the project has been delayed waiting for the warranty repair on the coated walls. The Nelson Well Replacement will be discussed in the closed meeting. The Lid Repair Assessment Project will begin as soon as the weather permits and the contractor is available to sonar the lids. The Barker – Bridgeside Landing project is underway. The preconstruction meeting was held and work started today. Management is waiting for possible grant money from JWCD for the HZ and LZ Landscaping. The Board thanked Mr. Fenn for the informative report.

Engineer's Report Consider approval of an engineering change order for the Barker to Bridgeside Landing Water Line project The Engineer presented to the Board a change order on the Bridgeside Landing project. There were issues and challenges in acquiring easements from the affected parties. The Engineer has made application with the Army Corps of Engineers regarding wetlands in the area. The previously approved fee needs to be modified for the additional work. After discussion motion was made by Trustee Swensen seconded by Trustee Russell:

RESOLVED: To approve payment for additional work done by CRS Engineers for a total of \$12,416.00 for the work on the Bridgeside Landing Water Line project. The motion passed with the following individuals voting in the affirmative: Trustees Behunin, Swensen and Russell.

Jordan Valley Water Conservancy District Report Trustee Swensen discussed the Water Users Conference. He found the information very valuable. Discussions centered around climate change, less water, and less snowfall. Trustee Swensen made the suggestion to invite our local state legislature and state senate members to meet with the Board and exchange ideas.

Central Valley Water Reclamation Facility Report Nothing to report.

Utah Association of Special Districts Report Trustee Russell reported on the effort and time UASD leaders spent examining and reviewing the bills passed in the Legislature. He specifically talked about Bill #179, the Procurement Policy that passed. Richard Bay, JWCD General Manager, was instrumental in the bills' passage.

Adjourn The following motion was made by Trustee Russell seconded by Trustee Swensen:

RESOLVED: To adjourn the regular Board Meeting and enter into a closed session for the purpose to discuss the pending sale or purchase of real estate. The motion passed with the following individuals voting in the affirmative: Trustees Behunin, Swensen and Russell.

Regular Board Meeting The following motion was made by Trustee Swensen seconded by Trustee Russell:

RESOLVED: To approve and return to the regular meeting to consider items discussed in the closed meeting. The motion passed with the following individuals voting in the affirmative: Trustees Behunin, Swensen and Russell.

Consider approval of agreement to purchase real estate The General Manager presented the property and price to the Board members for the Nelson Replacement Well that was discussed with property owner, Bob Wirthlin. After discussion motion was made by Trustee Swensen seconded by Trustee Russell:

RESOLVED: To approve the purchase of property for \$63,700.00 for the Nelson Replacement Well as recommended by the General Manager and enter into a purchase agreement with Bob Wirthlin. The motion passed with the following individuals voting in the affirmative: Trustees Behunin, Swensen and Russell.

Adjourn The following motion was made by Trustee Russell seconded by Trustee Swensen:

RESOLVED: To adjourn the March, 2014 Board Meeting. The time was 5:05 p.m. The motion passed with the following individuals voting in the affirmative: Trustees Behunin, Swensen and Russell.

Action Items

- Official letter to landlord/homeowner and Salt Lake Valley Health Department concerning the septic tank issue at 1530 West 4920 South