

**MINUTES OF THE TAYLORSVILLE-BENNION
IMPROVEMENT DISTRICT BOARD MEETING HELD OCTOBER 15, 2014**

The regular monthly meeting of the Board of Trustees of the Taylorsville-Bennion Improvement District was held at 2:57 p.m. Wednesday, October 15, 2014, at the District office. Present were Trustees Behunin and Russell. Trustee Swensen was excused. Also present were General Manager, Keith Lord; Assistant General Manager, Kevin Fenn; Attorney, Bill Gibbs; Engineer, Paul Hirst; Controller, Mark Chalk; and Secretary, Tami Fullmer. The prayer was offered by Keith Lord.

Common Consent Items Minutes The Board reviewed and discussed the September 17, 2014 Board Minutes. After discussion the following motion was made by Trustee Russell seconded by Trustee Behunin:

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

Monthly Calendar The General Manager reported that Trustee Swensen had surgery and may not be able to attend Board meetings for a few months. Trustee Behunin reported that Trustee Swensen has indicated that he wants to be involved in decisions that affect the District. Logistics for this are being explored. The General Manager discussed the November Board meeting which will take place Wednesday, November 19, 2014 at 4:00 p.m. with the Public Hearing to follow at 6:00 p.m. Trustee Behunin and Russell plan to attend. Trustee Swensen will be contacted by the General Manager.

Trustee's Expense Report The General Manager reviewed the Trustee Expense Report and explained that the enclosed forms were for the Trustee's review.

Financial Report Accounts Payable Discussed: construction/operation and maintenance vouchers 29203 - 29301, including voided vouchers 29235 and 29247, for a total of 244 vouchers, with a dollar amount of \$929,331.55; payroll vouchers 2014474 – 2014501 and 2014502 – 2014529 for a total of 56 vouchers with a dollar amount of \$156,371.31. The General Manager reported that there was a large payment made to Noland and Sons Construction for the completion of the Grizzly Gulch project. Trustee Russell inquired about payment to CRS Engineers for the Chik-Fil-A waterline. Mr. Fenn explained that with the new construction of the business, it was necessary for the engineer to update the drawings to include the water and sewer line extensions. After a discussion the following motion was made by Trustee Russell seconded by Trustee Behunin:

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 and Russell.

Financials Report The Controller 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.

Certification of Delinquent Accounts to Salt Lake County Treasurer Mark Chalk, Controller, presented the certification for the month of October, 2013. He explained that the amount is high because accounts were not certified in September. After discussion the following motion was made by Trustee Russell seconded by Trustee Behunin:

RESOLVED: To approve the Certification amount of \$137,738.90. The motion passed with the following individuals voting in the affirmative: Trustees Behunin and Russell.

Manager's Report Discuss Preliminary Budget 2015 The General Manager presented the proposed Preliminary Budget for 2015. He proposed a 5% increase for water and sewer rates, which is \$0.08 per thousand gallons. This will increase rates from \$1.62 to \$1.70 per thousand gallons. Trustee Russell asked the Board to consider a smaller rate increase of 4.3% to \$1.69 per thousand gallons. The General Manager and Mr. Chalk will review the numbers and look at the future projections. The General Manager is proposing an increase to wages of 4.5% that includes a 2.0% COLA, and a 0-3% lane change and performance advancement. Employee Health benefits will increase 6.2%, with Dental benefits increasing 8.0%. Trustee Russell discussed giving the employees a smaller wage increase coupled with the increased cost of health benefits that is paid by the District. The General Manager will look at various options. Utilities are projected to increase approximately 5% which has been budgeted for the District. The total O & M budget increase will be \$372,269 which is 3.3% over the 2014 budget. The proposed decreases to the budget is Well maintenance at -26.28% and the General Manager has challenged those employees who drive company vehicles to be more efficient in using their miles and decrease the oil and gas purchases -7%. After a lengthy discussion regarding the upcoming 2015 budget, the General Manager explained that the items will be revisited next month for a vote.

Discussion of Barrington Park The General Manager reported that charges for reimbursement for the upgrade of the water and sewer lines in Barrington Park will end. Through the years, the District has assumed the regular maintenance of the water and sewer lines, as well as the pump station. The availability charges assessed to every account cover the line maintenance but no charge has been assessed to help offset the sewer pump station. He is proposing an assessment of \$2.92 per month for each account in Barrington Park to pay for weekly maintenance, replacement of pumps, and other necessary repairs which totals \$96,291 per year. The recommended amount would continue to be monitored and adjusted as per inflation and extra charges. After discussion the following motion was made by Trustee Russell seconded by Trustee Behunin:

RESOLVED: To approve the assessment of \$2.92 per month for each customer that resides in Barrington Park for a total of \$96,291 per year for maintaining and servicing the sewer pump station. The motion passed with the following individuals voting in the affirmative: Trustees Behunin and Russell.

Consider Crown Castle tower contract at High Zone Reservoir The General Manager reported that Crown Castle has requested additional property for an auxiliary diesel generator at the District's High Zone Reservoir sight for AT&T equipment and will pay an additional \$300.00 per

month. After discussion the following motion was made by Trustee Russell seconded by Trustee Behunin:

RESOLVED: Approved the additional property needed to install an auxiliary generator for Crown Castle at the High Zone well site. The motion passed with the following individuals voting in the affirmative: Trustees Behunin and Russell.

Consider RFP for Legal Services The General Manager reported he has received four responses from individuals that are interested in representing the District with Legal services. He reviewed the four respondents: Hayes, Godfrey and Bell; Smith, Hartvigsen; Fabian and Clendenon; and Snow, Christensen and Martineaux. The General Manager explained that they have all worked in municipal affairs and are well qualified. He requested that the Board form a committee to review the information and interview the candidates. Collectively, the Board members were willing to be involved in the process of selecting an individual for the job. They will review the material and the General Manager will contact the respondents regarding a date and time to meet with the Board. He proposed that the Board form a committee to secure future legal counsel. The following motion was made by Trustee Russell seconded by Trustee Behunin:

RESOLVED: Approve the formation of a committee to secure future legal services for the District. The motion passed with the following individuals voting in the affirmative: Trustees Behunin and Russell.

Consider setting date for public hearing on November 19, 2014 at 6:00 p.m. The General Manager presented a draft of the Notice of Public Hearing scheduled for Wednesday, November 19, 2014 to consider approval and adoption of: 1) a proposed impact fee water and wastewater facilities plan; 2) a proposed water and wastewater impact fee resolution; and 3) a proposed rate increase for water and wastewater. After discussion the following motion was made by Trustee Russell seconded by Trustee Behunin:

RESOLVED: Approved the Public Hearing to discuss the proposed impact water and wastewater facilities plan, a proposed water and wastewater impact fee resolution and a proposed rate increase to be held Wednesday, November 19, 2014 at 6:00 p.m. The motion passed with the following individuals voting in the affirmative: Trustees Behunin and Russell.

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 CIPP/ Slip Lining project which was set to begin this month is on hold because of conflict with UDOT. The contractor, Layne Inliner, is waiting to begin. The proposed completion date is the end of the year. The 4100 S Sewer Replacement – Grizzly Gulch Project has been completed and the cost was less than the bid amount as well as less on the joint venture of the road repair. Nolan and Sons have been a pleasure to work with. The 4100 S Sewer Replacement project is underway and plans are 60% complete. The Rawson Well Rehab project has been completed and the District is waiting for a new billing cycle from Rocky Mountain Power before performing a test on the motor. The Tank Lid Monitoring and Evaluation Change Orders will be

reported by the Engineer. The Sewer Condition Study is close to completion. A new agreement is in the works for the Nelson Replacement Well. The Barker-Bridgeside Waterline project is complete and waiting for the grass seed to grow before a final payment is determined. The HZ and LZ Landscaping project, after the October bid opening, was postponed until Spring, 2015 due to only one high bid. The District may revise the design for the project to begin in the spring. JVVCD will honor the grant money for the project. The Groundwater Model update is complete. The Conservation Plan Update is currently in progress. The Water System Model Update is 90% complete and waiting for actual readings in the system. The Board thanked Mr. Fenn for his report.

Grizzly Gulch Segment Change Order and Final Payment The General Manager discussed the final payment and change order to Nolan and Sons for the Grizzly Gulch segment, which has been under budget. He asked that the Board approve the final payment of \$15,276.11 and change order of \$7,347.26 to Nolan and Sons. After discussion the following motion was made by Trustee Russell seconded by Trustee Behunin.

RESOLVED: To approve the final payment of \$15,276.11 and change order of \$7,347.26 to Nolan and Sons for the Grizzly Gulch segment of the 4100 Sewer Replacement project. The motion passed with the following individuals voting in the affirmative: Trustees Behunin and Russell.

Engineer's Report Tank Lid Monitoring and Coating The Engineer distributed pictures of the Tank Lid coating and explained that the XYPEX is down on both tanks and repairs continue at the High Zone with the Middle Zone still under construction. The project is 75% complete.

Jordan Valley Water Conservancy District Report Nothing to report.

Central Valley Water Reclamation Facility Report Nothing to report.

Utah Association of Special Districts Report The UASD has involved hundreds of man hours to create a workable procurement policy.

Adjourn The following motion to adjourn was made by Trustee Russell seconded by Trustee Behunin:

RESOLVED: To adjourn the October, 2014 Board Meeting. The time was 4:25 p.m. The motion passed with the following individuals voting in the affirmative: Trustees Behunin and Russell.

Action Items

- Consider Legal Services