

**MINUTES OF THE TAYLORSVILLE-BENNION  
IMPROVEMENT DISTRICT BOARD MEETING HELD OCTOBER 16, 2013**

The regular monthly meeting of the Board of Trustees of the Taylorsville-Bennion Improvement District was held at 3:03 p.m. Wednesday, October 16, 2013 at the District office. Present were Trustees Behunin, Swensen and Russell. Also present were General Manager, Keith Lord; Assistant Manager, Kevin Fenn; Controller, Mark Chalk; Attorney, Bill Gibbs; Engineer, Paul Hirst; and Secretary, Tami Fullmer. Josh Oliver was present for a presentation. The prayer was offered by Gary Swensen.

**Common Consent Items**    Minutes    Upon review and discussion of the September 18, 2013 Board Minutes as well as the Work Session Meeting Minutes, the following motion was made by Trustee Russell seconded by Trustee Swensen:

RESOLVED: To approve the September, 2013 minutes and Work Session Meeting minutes. The motion passed with the following individuals voting in the affirmative: Trustees Behunin, Swensen and Russell.

Monthly Calendar and Upcoming Events    The General Manager noted that Board Meeting and the Public Hearing will be held on Wednesday, November 20, 2013 with the Board Meeting to begin at 4:00 p.m. followed by the Public Hearing at 6:00 p.m. Trustees Swensen, Behunin and Russell plan to be in attendance.

Tentative 2014 board meeting schedule    The General Manager presented the tentative board meeting schedule for 2014 included in the board book.

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

**Employee service award presentation - Josh Oliver 15 years**    The Board of Trustees presented Josh Oliver with a service award and commended him for 15 years of committed service and dedication to the District.

**Manager's Report**    Review Draft of Budget 2014 - O&M and Capital Expenditures    The General Manager presented to the Board the first draft of the 2014 O&M Budget and second draft of the Capital Expenditures Budget. He discussed the proposed increase in water and sewer rates as well as the increase in the availability fees. The total O&M Budget increase is 3%. The General Manager discussed a possible 4.2% increase in wages which includes a 1.5% COLA, plus a lane and performance advancement. After a discussion of the proposed wage increase the Board accepted the recommendation of the General Manager to increase the COLA to 2.0%, based on the Zion's Bank Wasatch Front Regional figure of August, 2013. A proposed decrease in the budget is Health Insurance which will decrease 13.41%. The General Manager explained that the District employees' use of the system and claims history is very good. Gas and diesel prices per gallon should remain about the same as this year but usage will increase an additional 1,000 gallons. The General Manager directed the Board to the second page, the Capital Construction Budget. The highlighted changes from the previous board meeting presentation showed an increase to the budget of \$31,434. This is an increase to the total Capital Construction budget of \$503,739. He will continue to revise the budgets and present a Tentative Budget at the November Board meeting.

Consider motion to open 2013 Budget to correct Depreciation Expense    The General Manager explained that Robinson-Hill, auditors, had miscalculated last years depreciation. He proposed that the Board open the budget to adjust and increase the water depreciation number in the amount of

\$355,693. After discussion the following motion was made by Trustee Swensen seconded by Trustee Russell.

RESOLVED: To approve the budget be opened and increase the water depreciation account in the amount of \$355,693 bringing the total to \$1,942.693. The motion passed with the following individuals voting in the affirmative: Trustees Behunin, Swensen and Russell.

Consider motion to set Public Hearing on November 20, 2013 at 6:00 p.m. The General Manager proposed the Public Hearing to be set on November 20, 2013 at 6:00 p.m. The notice will be posted in the newspaper twice before the Public Hearing. He explained that the proposal is an increase in water and sewer rates. After a lengthy discussion the following motion was made by Trustee Swensen seconded by Trustee Russell:

RESOLVED: To approve the Public Hearing be held Wednesday, November 20, 2013 at 6:00 p.m. The motion passed with the following individuals voting in the affirmative: Trustees Behunin, Swensen and Russell.

Consider Resolution No. 13-04 cancelling the election and declaring Ben Behunin winner The General Manager proposed that the Board consider Resolution No. 13-04 which cancels the election and declares Ben Behunin the winner. After discussion the following motion was made by Trustee Swensen seconded by Trustee Russell:

RESOLVED: To approve Resolution No. 13-04 that cancels the election and declare Ben Behunin the winner and re-elected Trustee. The motion passed with the following individuals voting in the affirmative: Trustees Behunin, Swensen and Russell.

Report on group visit with Senator Karen Mayne The General Manager reported LeGrande Bitter, Executive Director of UASD, invited a group of managers in the water and sewer industry to the Utah State Capitol to meet with Senator Karen Mayne. Senator Mayne inquired about transparency, accountability and a reporting system regarding customer complaints. She wanted to insure that the public was protected and that there was accountability. The Senator suggested that each entity create a hotline as a way for customers to contact Board Members and Management to register a complaint or comment. The meeting ended amicably between Senator Mayne and the managers. The General Manager discussed ways that the District has approached these issues in the Strategic Planning Meeting held in September and will address this topic again at a future Board meeting.

**Financial Report** Accounts Payable Discussed: construction/operation and maintenance vouchers 27380 - 27526, for a total of 147 vouchers, included voided vouchers; #27388, #27401, 27511 and #27517, with a dollar amount of \$977,617.82; payroll vouchers 2013475 - 2013502 and 2013503 - 2013530 for a total of 56 vouchers with a dollar amount of \$149,482.51. After discussion the following motion was made by Trustee Russell seconded by Trustee Swensen:

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

Financial 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.

**Operations Report** Water Usage and 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** Mr. Fenn reported the Rawson Well Pump Installation is being completed today. The replacement part has been installed and the well will be started to insure that it is working properly. The Reservoir Lid Repair and Replacement project has become a challenge for the contractor who is using extraordinary measures to remove the existing coating before he can apply the new coating to each of the lids. Neither CRS nor the contractor anticipated the amount of effort to remove the old coating as it was applied in an inconsistent manner which resulted in different, labor intensive removal techniques. The Sewer System Condition Study is under review and needs modification before the project can be completed. The 2013 Water Line Replacement Project at 4100 South Redwood Road is near completion. Intersection sensors are on order and will be installed as the final phase of this project.

**Consider approval of Change Order No. 1 for the 2013 Waterline Replacement Project at 4100 South** There were some additions that were unforeseen but necessary to complete the waterline replacement project. The change order amount is an increase to the contract in the amount of \$2,209, bringing the total of the project to \$361,489.20. After a lengthy discussion the following motion was made by Trustee Russell seconded by Trustee Swensen:

RESOLVED: To approve Change Order No. 1 for the 2013 Waterline Replacement Project for the amount \$2,209 bringing the total amount of the contract to \$361,489.20. The motion passed with the following individuals voting in the affirmative: Trustee Behunin, Swensen and Russell.

**Legal Report** Nothing to report.

**Engineer's Report** The Engineer gave a report in the Project section regarding the Reservoir Lid Repair and Replacement.

**Jordan Valley Water Conservancy District Report - Trustee Swensen** Nothing to report.

**Central Valley Water Reclamation Facility Report - Trustee Behunin** Trustee Behunin made the Board aware that nutrient removal is a big emphasis with environmental groups throughout the United States. At present, Central Valley is compliant with everything, but environmental groups are seeking higher standards in the future, which will come with a large price tag for each entity.

**Utah Association of Special Districts Report - Trustee Russell** Nothing to report.

**Consider Resolution No. 13-05 endorsement of Trustee Russell to serve on the UASD Board** Trustee Russell has been serving on the UASD Board for the past 15 months. The UASD Board works with lawmakers, the many entities throughout the state regarding water and sewer and hosts an annual conference in November of each year. It is his desire to run again in 2014 to fill a seat on the UASD Board. The General Manager proposed Resolution No. 13-05 and that the Board recommend Trustee Russell as a candidate for the UASD Board. After discussion the following motion was made by Trustee Swensen seconded by Trustee Behunin:

RESOLVED: To approve Resolution No. 13-05 and recommend Trustee Russell as a candidate for the UASD Board in 2014. The motion passed with the following individuals voting in the affirmative: Trustees Behunin, Swensen and Russell.

**Closed Session** The General Manager recommended that the Board go into a closed session to discuss the sale or purchase of property. The following motion was made by Trustee Swensen seconded by Trustee Russell:

RESOLVED: To approve the Board go into a closed session for discussion of the sale or purchase of property. The motion passed with the following individuals voting in the affirmative: Trustees Behunin, Swensen and Russell.

The General Manager recommended that the Board go out of closed session. The following motion was made by Trustee Swensen seconded by Trustee Russell:

RESOLVED: To approve the Board go out of closed session and back into regular session. The motion passed with the following individuals voting in the affirmative: Trustees Behunin, Swensen and Russell. Trustee Swensen and Engineer, Paul Hirst was excused from Board Meeting at 4:25 p.m.

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

RESOLVED: To adjourn the October, 2013 Board Meeting at 4:35 p.m. The motion passed with the following individuals voting in the affirmative: Trustees Behunin, Swensen and Russell.

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## **ACTION ITEMS**

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