

**MINUTES OF THE TAYLORSVILLE-BENNION
IMPROVEMENT DISTRICT BOARD MEETING HELD DECEMBER 15, 2010**

1. The regular monthly meeting of the Board of Trustees of the Taylorsville-Bennion Improvement District was held Wednesday, December 15, 2010. Present were Trustee Behunin, Trustee Swensen and Trustee Russell. Also present were General Manager, Keith Lord; Assistant Manager, Kevin Fenn; Engineer, Paul Hirst; and Secretary, Tami Fullmer. The prayer was offered by Keith Lord. Attorney Bill Gibbs arrived late.

2. **Common Consent Items** Minutes Upon review of the November 17, 2010 Board Meeting minutes motion was made by Trustee Russell seconded by Trustee Swensen and unanimously approved the November minutes. The motion passed with the following individuals voting in the affirmative: Trustees Behunin, Swensen and Russell.

The General Manager explained that he made a detailed review of the October 20, 2010 Board Meeting minutes and there are no corrections or changes to be made and a motion is needed. Motion was made by Trustee Swensen seconded by Trustee Russell and unanimously approved the October 20, 2010 minutes. The motion was passed with the following individuals voting in the affirmative: Trustees Behunin, Swensen and Russell.

Monthly Calendar of Events Trustee Behunin discussed the Board Meeting to be held January 19, 2011. All Board members plan to attend. The General Manager explained that the 2011 Board Meeting Schedule could be taken out of order on the Agenda and approved at this time. The meeting schedule was reviewed with a couple of conflicts but those will be addressed closer to the actual date. Motion was made by Trustee Russell seconded by Trustee Swensen and unanimously approved to adopt the 2011 Board Meeting schedule as outlined in the board book. The motion passed with the following individuals voting in the affirmative: Trustee Behunin, Swensen and Russell.

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

3. **Accounts Payable** Presented: construction/operation and maintenance vouchers 22860 - 22986 for a total of 127 vouchers; with a dollar amount of \$941,440.38; payroll vouchers 2010568 - 2010594 and 2010595 - 2010621 for a total of 54 vouchers with a dollar amount of \$154,626.89. Motion was made by Trustee Swensen seconded by Trustee Russell and unanimously approved the accounts payable. The motion passed with the following individuals voting in the affirmative: Trustees Behunin, Swensen and Russell.

4. **Financial Report** Documents regarding the financial position of the District were reviewed and discussed for December, 2010. After a thorough review of the report as contained in the Board Book, it was directed to be appended to the minutes.

5. **Approve Certification** The General Manager presented the certifications for the month of December in the amount of \$42,375.48. Motion was made by Trustee Russell seconded by Trustee Swensen and unanimously approved to certify the amount presented by the General Manager. The motion passed with the following individuals voting in the affirmative: Trustees Behunin, Swensen and Russell.

6. **Water Usage New Connection, Payment History Recap, Well Production Report, Booster Station Report, Lift Station Report, Comparative Analysis of Water Sold Water and Sewer Connection Report, Well Production Cost Report.** The Board reviewed and discussed the reports and directed the schedules to be appended to the minutes.

7. **Construction and Operations Report** Pioneer Well Motor Mr. Fenn updated the Board concerning the motor. It has been received, installed, started, tested and seems to be running well. The well will not be used until next April when the District's water demand is higher. Barker East Well This well is now being rehabilitated. The pump is out, the liner is perforated, the gravel pack is being bailed and the screens pulled.

Consider water line replacement contract extension Mr. Fenn discussed with the Board a proposal for the contractor, RDJ Construction who did the water line replacement this year, to receive a contract extension for the 2011 water line replacement project. The District feels they received a fair price from RDJ and they did an excellent job. The General Manager and Mr. Fenn were very pleased with the work from both RDJ Construction and Bowen and Collins Engineers and both completed the project under budget and have developed a good working relationship. After much discussion motion was made by Trustee Swensen seconded by Trustee Russell and unanimously approved the contract extension for the 2011 water line replacement to RDJ Construction and Bowen and Collins Engineers. The motion was passed with the following individuals voting in the affirmative: Trustees Behunin, Swensen and Russell.

8. **Legal Report** Consider adoption of policy 1.0 Terminable at Will, and 1.0 Equal Opportunity Employment Attorney Bill Gibbs discussed Policy 1.0, Employee Terminable at Will, and Policy 1.1 Equal Employment Opportunity. Mr. Gibbs outlined the Terminable at Will Acknowledgment and Agreement that puts the employee clearly on notice that the District can terminate at will as well as the employee can terminate at will as far as the District is concerned. The District may require the employee to sign the form in the future. The General Manager explained that two more areas of discrimination, age and disability, need to be added to Policy 1.1 on the Equal Employment Opportunity Act. The Attorney agreed and mentioned that these two areas have come into being since the District's policy was written. After much discussion motion was made by Trustee Russell seconded by Trustee Swensen and unanimously approved to adopt Policy 1.0 Employee Terminable at Will and the revised Policy 1.1 Equal Employment Opportunity. The motion was passed with the following individuals voting in the affirmative: Trustees Behunin, Swensen and Russell.

9. **Manager's Report** Consider board meeting schedule for 2011 Refer to agenda item #2 above.

10. **Engineers Report** Consider Rate Study Mr. Hirst explained to the Board that CRS has been working in cooperation with the District and Robert Rosenthal, a consultant, in regards to the District's future cash flow needs. The District's recommendation is for a 5% increase in rates for water and sewer services in 2011. These increases are barely keeping up with inflation. Given the amount of needed capital improvements in the Twenty Year Plan and to stay solvent, the District can only afford approximately half of the planned capital improvements. CRS and the District are going to reevaluate the needs of the District and identify the main improvements that

need to be done or deferred. The Board discussed a lot of issues and acknowledged that improvement and continued maintenance on the District's infrastructure is a top priority. The General Manager and Mr. Hirst will look at the future capital improvements and develop a priority list on a scale from most critical to the least critical as well as the costs involved and present their findings at a special meeting within the next two months.

11. **Jordan Valley Water Conservancy District** Nothing was reported.
12. **Central Valley Water Reclamation Facility** Nothing was reported.

Public Hearing 6:00 p.m. Chairman Behunin opened the Public Hearing at 6:10 p.m. and noted that no public was in attendance.

13. **Consider changes to Budget 2010** Motion was made by Trustee Swensen seconded by Trustee Russell to open the 2010 Budget so changes could be made. The motion was passed with the following individuals voting in the affirmative: Trustees Behunin, Swensen and Russell. The General Manager began by discussing a few changes on the Maintenance and Operations budget. He requested that money be moved from the Jordan Valley Water Conservancy District account to the Well Maintenance account, and for additional budget be added to the interest account for the bond sold earlier in the year. This change will cover repairs on the wells that required additional maintenance during the last year. He then discussed the Capital Construction side of the budget and the need to add money for the bond principal. Motion was made by Trustee Swensen seconded by Trustee Russell and unanimously approved the changes for the 2010 Budget according to the General Manager's recommendation. The motion passed with the following individuals voting in the affirmative: Trustees Behunin, Swensen and Russell. Motion was made by Trustee Swensen seconded by Trustee Russell and unanimously approved to close the 2010 Budget. The motion passed with the following individuals voting in the affirmative: Trustee Behunin, Swensen and Russell.

14. **Consider adoption of Budget 2011** The General Manager presented the proposed 2011 Budget with four changes to the Tentative Budget: (1) Increase Central Valley Water Reclamation Facility Operations Budget by the amounts previously allocated to Engineering and Contingency Budgets from the Capital Construction Budget; (2) Reduce to zero CVWRF Capital Construction Engineering; (3) Reduce to zero CVWRF Contingency Budget; and (4) add additional \$10,000 to Office Building Budget for a new sign in the front of the building because of the delay in the project from 2010. Motion was made by Trustee Swensen seconded by Trustee Russell and unanimously approved to adopt the 2011 Budget with the proposed changes. The motion passed with the following individuals voting in the affirmative: Trustees Behunin, Swensen and Behunin.

15. **Adjourn** Motion was made by Trustee Russell seconded by Trustee Swensen to adjourn the December Board Meeting. The motion passed with the following individuals voting in the affirmative: Trustees Behunin, Swensen and Russell.

ACTION ITEMS

- The District and CRS to develop a priority list of future projects