

**MINUTES OF THE TAYLORSVILLE-BENNION
IMPROVEMENT DISTRICT BOARD MEETING HELD MARCH 21, 2012**

1. The regular monthly meeting of the Board of Trustees of the Taylorsville-Bennion Improvement District was held at 3:05 p.m. Wednesday, March 21, 2012 at the District office. Present were Trustee Behunin, Trustee Swensen and Trustee Russell. Also present were General Manager, Keith Lord; Assistant Manager, Kevin Fenn; Attorney, Bill Gibbs; Engineer, Paul Hirst; and Secretary, Tami Fullmer. Matt Millis, Vice President, Zion's Bank Public Finance was in attendance for a presentation. The prayer was offered by Trustee Russell.

2. **Public Comments** No public was in attendance.

3. **Common Consent Items** Minutes Upon review of the February 15, 2012 Board Meeting minutes Trustee Swensen made a correction in the legal report regarding State Senator Valentine and Mr. Frankel. After corrections were made the following motion was made by Trustee Swensen seconded by Trustee Russell.

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

Monthly Calendar of Events The General Manager noted that Board Meeting in April will be held on Monday, April 23, 2012 and begin at 3:00 p.m. All Trustees plan to be in attendance.

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

Accounts Payable Discussed: construction/operation and maintenance vouchers 24729 - 24833; including voided vouchers #24757, #24772, and #24773, for a total of 105 vouchers with a dollar amount of \$837,132.82; payroll vouchers 2012083 - 2012110 and 2012111 - 2012138 for a total of 56 vouchers with a dollar amount of \$140,944.29. Trustee Russell requested more information regarding check #24830, to Meterworks. Mr. Fenn explained that MIUs, a meter interface unit, needs to be replaced on each water meter. They have a life cycle of seven years and the District has not replaced this device for ten years. The parts have been purchased and will be installed throughout one-half of the district this year. The other half will be installed in 2013. After discussion the following motion was made by Trustee Swensen seconded by Trustee Russell.

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

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

Water Usage and New Connections The General Manager reviewed and discussed the reports with the Board and directed the schedules to be appended to the minutes.

4. **Discuss impact fee preliminary study - Matt Millis, Zion's Bank** Mr. Millis presented his preliminary study on impact fees. He indicated that there had been some significant changes to the law and challenges that necessitated having a solid impact fee policy. His study focusses on five key areas: 1) Impact Fee Facilities Plan; 2) Thorough Documentation of Assignments; 3) Inventory of Existing Assets; 4) Revenue and Expense Accounting; 5) Level of

Service Analysis. He mentioned that several municipalities and districts had been challenged regarding their impact fees so he is making sure this study will meet the requirements of the law and avoid lawsuits. He said he feels good about the work and effort by the District, by their Engineer and his staff in the work done so far with the study. He noted that there is still a small amount of work to be done but could be ready for Board meeting next month if desired. After much discussion it was decided to allow Mr. Millis ample time to complete his study and present it in the May or June Board meeting. He also explained that a public hearing would be necessary, that the Board would need to decide whether to adopt or not the impact fee, and that it would require a ninety day waiting period before it could take effect. The Attorney commented that he felt that the current law was inaccurate in the way it accounted for the fixed assets. He desired to pursue methods to challenge this law.

5. **Legal Report** The Attorney commented on the results of the Legislative Session indicating that there were no bills passed that adversely affected the District. He mentioned that there were several issues that went to interim study, one of which would affect the taxing ability of conservancy districts. He requested permission to follow several of the items assigned to interim study so as to protect the District's interest. The Board agreed with Mr. Gibbs and authorized him to proceed.

6. **Manager's Report** Approve Certifications The General Manager discussed the Certifications for the month of March, 2012. After much discussion the following motion was made by Trustee Russell seconded by Trustee Swensen.

RESOLVED: To approve the Certification amount of \$25,232.01. The motion passed with the following individuals voting in the affirmative: Trustees Behunin, Swensen and Russell.

Resolution appointing member to UASD board of representatives and alternate The General Manager introduced Resolution No. 12-02 and the need to appoint a board member and an alternate to serve on the Board of Representatives for the Utah Association of Special Districts. After much discussion the following motion was made by Trustee Swensen seconded by Trustee Russell.

RESOLVED: To approve Resolution No. 12-02 and appoint Trustee Don Russell as District Representative to the Utah Association of Special Districts with General Manager Keith Lord as alternate. The motion passed with the following members voting in the affirmative: Trustees Behunin, Swensen and Russell.

Consider approving Crown Castle (Sprint) lease and contract extension of the telecommunication equipment at the High Zone reservoir property The General Manger discussed the lease and extension contract with Crown Castle to provide space for their equipment within the fence of the District's High Zone reservoir property. After much discussion the following motion was made by Trustee Russell seconded by Trustee Swensen.

RESOLVED: To approve the Crown Castle (Sprint) lease and contract extension of the telecommunication equipment at the High Zone reservoir property. The motion passed with the following members voting in the affirmative: Trustees Behunin, Swensen and Russell.

Consider approval of Haynie and Co. audit engagement letter The General Manager reported to the Board that the District is in the second year of a three year contract with auditors Haynie & Co. The management is satisfied with Haynie & Co and recommended that we continue using their services. After much discussion the following motion was made by Trustee Swensen seconded by Trustee Russell.

RESOLVED: To approve Haynie & Co as the District auditors for the audit year 2011. The motion passed with the following members voting in the affirmative: Trustees Behunin, Swensen and Russell.

Consider approval of contract for 4800 South canal crossing The General Manager reported that in order to complete the installation of a water pipeline beginning at 1175 West and 4800 South and extending to Redwood Road, the District needs to bore under the North Jordan Canal before April 15, 2012. The approximate cost for the bore is \$30,000.00. The General Manager requested permission to sign an agreement with North Jordan Canal Company and execute a contract with a contractor to bore under the North Jordan Canal. After much discussion the following motion was made by Trustee Russell seconded by Trustee Swensen.

RESOLVED: To allow the General Manager to execute a contract, not to exceed \$50,000.00, with a contractor to bore under the North Jordan Canal at 1470 West 4800 South, together with all permits and fees associated with the project. The motion passed with the following members voting in the affirmative: Trustees Behunin, Swensen and Russell.

7. **Engineers Report** Consider awarding contract for landscaping Middle Zone reservoir site The Engineer reported that a bid opening took place March 14, 2012 for the Middle Zone landscaping. Three companies bid with ACE Landscape submitting the low bid of \$302,828.00. It is the recommendation of the Engineer that ACE Landscape be awarded the bid for the Middle Zone reservoir site with an option to give the General Manager the authority to approve change orders up to the contract price of \$350,000.00. The landscape is to be completed by July 15, 2012. After much discussion the following motion was made by Trustee Swensen seconded by Trustee Russell.

RESOLVED: To approve and award the contract for landscaping the Middle Zone reservoir site to ACE Landscape for \$302,828.00 with a completion date of July, 15, 2012; and give the General Manager the authority to approve change orders up to the contract price of \$350,000.00. The motion passed with the following members voting in the affirmative: Trustees Behunin, Swensen and Russell.

Report on Valley Well water line The Engineer reported to the Board the challenges involved with the Valley Well water line. The line has been installed and after several attempts it was observed by the District Inspector to hold pressure for two hours. However, the Engineer's inspector was not present to observe the test. He reported there has been several, additional leaks since the initial pressure test. There is a lot of speculation on the continuing problem but no definitive answer. The Engineer and District Managers are seeking outside expert opinion to find a solution. The Engineer plans to have a resolution by the April Board meeting.

8. **Construction and Operations Report** Mr. Fenn reported that the problem at 1300

West is undergoing repairs using a box culvert. This procedure will change the crown of the road and should be completed in two weeks.

9. **Jordan Valley Water Conservancy District Report** Nothing to report.
10. **Central Valley Water Reclamation Facility Report** Nothing to report.
11. **Closed Meeting - Discuss contract details to avoid potential litigation** No closed meeting was held.
12. **Adjourn** The following motion was made by Trustee Russell seconded by Trustee Swensen.

RESOLVED: To adjourn the March 21, 2012 Board Meeting at 5:05 p.m. The motion was passed with the following individuals voting in the affirmative: Trustees Behunin, Swensen and Russell.

ACTION ITEMS

Engineer to report on the Valley Well Water line