

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

The regular monthly meeting of the Board of Trustees of the Taylorsville-Bennion Improvement District was held at 3:05 p.m. Wednesday, December 18, 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. The prayer was offered by Kevin Fenn.

Administration of the Oath of Office for Ben Behunin as trustee Controller, Mark Chalk administered the oath of office to Ben Behunin as trustee for the Taylorsville-Bennion Improvement District for the next four years.

Public Comments No public was present.

Employee service award presentation - Ron Dawson 30 years Trustee Behunin congratulated Ron Dawson for thirty years employed by the District. The Board complimented Mr. Dawson on his valuable service and dedication to the District.

Common Consent Items Minutes Upon review and discussion of the December 18, 2013 Board Minutes the following motion was made by Trustee Swensen seconded by Trustee Russell:

RESOLVED: To approve the December, 2013 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 invited the Board to attend a luncheon honoring Ron Dawson for thirty years of service that will be held tomorrow, Thursday, January 16, 2014 at noon. Trustee Swensen reported that past board member, Warren Tye, had open heart surgery in early January and is home recovering. The General Manager discussed the upcoming Rural Water Conference. Trustee Swensen and Trustee Russell plan to attend. The February Board Meeting will convene on Wednesday, February 15, 2014. Trustees Swensen, Behunin and Russell plan to be in attendance.

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

Manager's Report Procurement Policy Update The General Manager reported that the District needs to have its Procurement Policy in place by May, 2014 or will default to the state policy. A portion of the policy in regards to purchases was adopted at the July, 2013 Board Meeting. He proposed that a change be made to allow supervisors to purchase the smaller items in the dollar amounts of \$0.00 - \$2,500 for their respective departments. The amount of \$2,500 - \$5,000 will need to be approved by the Assistant General Manger or General Manager and all other purchases of \$5,000 - \$50,000 be approved by the General Manager. Any purchases with a larger dollar amount will need Board approval. Small purchase contracts are included in the policy, which allows the Board to consider contractors that can bid a job under \$150,000. Ron Dawson discussed the benefits of the policy, finding the best product, at the best price, and with the best warranty. After discussion the following motion was made by Trustee Russell seconded by Trustee Swensen:

RESOLVED: To approve the revised District Procurement Policy as outlined by the General Manager. The motion passed with the following individuals voting in the affirmative: Trustees Behunin, Swensen and Russell.

Consider approval and execution of easements along the Jordan River over the Valley well waterline
The General Manager reported that he received a call from the Attorney General's office regarding the Valley well waterline easements that have not been signed and need the documents signed and returned to their office. The General Manager explained that a clause in the document states "for a period of thirty years" has caused concern. He wanted the documents to read that its "perpetual", but the Assistant Attorney General stated that the clause will remain "thirty years" but be renewable. The General Manager explained that the easements need to be signed but will also transmit a letter of the District's concerns. The Attorney will attempt to contact the Attorney General's office for more clarification on this matter. After a lengthy discussion the following motion was made by Trustee Swensen seconded by Trustee Russell:

RESOLVED: To approve and authorize the General Manager to sign the Valley well easements with the clause "for a period of thirty years" and also include a letter of the District's concern of the wording of the easements. The motion passed with the following individuals voting in the affirmative: Trustee Behunin, Swensen and Russell.

Consider new truck purchase The General Manager discussed with the Board the future purchase of an SUV-type vehicle for District needs. Management has found that there is a need for an enclosed, roomier, and more fuel efficient type of truck. A Ford Explorer can be purchased on the state contract and used for meter reading, traveling to meetings, securing the mail and other needs. No motion was needed and the Board agreed that it would be beneficial to acquire a truck for specific District needs.

Determine time to meet with new city mayor The General Manager would like the Board to meet Taylorsville's new mayor, Larry Johnson. It was decided that the General Manager and Assistant General Manager will attempt to visit the new mayor at Taylorsville City and in turn invite him to the District for a informal meeting with the Board.

Financial Report Accounts Payable Discussed: construction/operation and maintenance vouchers 27823 - 27950, for a total of 128 vouchers, with a dollar amount of \$669,307.21; payroll vouchers 2013643 - 2013670 and 2014001 - 2014028 for a total of 56 vouchers with a dollar amount of \$161,711.33. Trustee Swensen inquired about the purchased safety blankets. Mr. Fenn explained that our Safety Manager, Dan McDougal, is purchasing equipment judiciously to be used at the office in case of an emergency. Trustee Swensen also questioned the renewal fees for the Rural Water Association. The Assistant General Manager explained that Rural Water has lost most of their federal funding and their fees have increased. It was also mentioned that District employees receive excellent training when attending their sponsored conferences. After discussion the following motion was made by Trustee Swensen seconded by Trustee Russell:

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.

Certifications of delinquent accounts to Salt Lake County Treasurer Mark Chalk presented the Certifications for the month of January, 2014. After a discussion the following motion was made by Trustee Russell seconded by Trustee Swensen:

RESOLVED: To approve the Certification amount of \$30,526.73. The motion passed with the following individuals voting in the affirmative: Trustees Behunin, Swensen and Russell.

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 that there is no change on the Rawson Well. The District is waiting for a factory representative to be present when the pump and motor are installed. The HZ and MZ Lid revised Repair and Restoration is complete. The final payment has been processed and the change order for the extra hours and experimental equipment has been added to the contract. The Sewer System Condition Study is in review and needs modification before the project is completed. The 3900 S Lift Station-Grating/Odor Control review is 90% complete and will be bid February 11, 2014. The tentative completion date is early spring, 2014. The 4100 S Sewer Line Replacement is a large project that requires considerable discussion by District Management and CRS Engineers. The project may span over a two year period because of the considerable amount of planning and work required. The owner of the proposed Nelson Replacement Well property is considering the District's offer. The Barker-Bridgeside Waterline project is time sensitive and will be bid on February 11, 2014. The plans are finished and the District will invite a select group of contractors to bid the project because of the low cost involved. The 20 Year Plan Update is in review. The HZ and LZ Landscaping Project may need to proceed at a slower pace because of a conflict with the lid restoration. District management and CRS engineers met with Jordan Valley Water Conservancy District management on Tuesday, January 14, 2014 to discuss a possible grant for the HZ and LZ landscaping. JWCD seemed receptive to assisting with the grant that would aid in the cost of the project. It would be an educational project with display boards for the public to read and learn as well as an invitation to visit the JWCD Conservation Gardens.

Legal Report The Attorney reported that there are several 2014 legislative bills being considered that may be of interest to the District. He will read about each of these bills and possibly attend various coalition meetings in the next month and report to the Board.

Engineer's Report Approve final payment and change order to contractor on Reservoir Lid Repair and Restoration Project The Engineer reported that Tank Lid Re-surfacing contractor was stopped and the contract was finalized with Van Con Construction. The original contract amount was for \$156,240.00. The contractor submitted a change order adding \$64,177.80 for extra work done, and deducted \$108,240.00 for work he was instructed not to complete, for a net reduction of \$44,062.20. The revised and final contract totaled \$112,177.80. The Engineer explained that they are considering ultrasonic methods to check the cracks on the lids. Trustee Behunin inquired if the cracks could be going through the entire lid. The Engineer said that the rebar doesn't appear to be compromised, which is a good thing. Also Trustee Behunin asked if this same problem could occur on other tank lids. The Engineer assured him and the Board that a different, better process was used and the District is not seeing any problems, and doubts that any problems will arise. After much discussion motion was made by Trustee Swensen seconded by Trustee Russell:

RESOLVED: To approve and pay Van Con Construction \$112,177.80 to close the contract and approve the change order. The motion passed with the following individuals voting in the affirmative: Trustees Behunin, Swensen and Russell.

Summary of 2013 Year End Key Indicators The General Manager reviewed the key indicators and summary of 2013 with the Board. He explained that these indicators are useful as an analysis of the water and sewer system. The Engineer inquired about the stopped and replaced meters. Mr. Fenn explained that Joe Jensen discovers them when reading meters. They have increased in the past few years, making considerable work for Mr. Jensen, the billing secretary, and the servicemen that have to repair or replace. The meter company is supplying new meters to replace the faulty meters at no cost to the District because of a manufacturing defect. With the new computer equipment, Joe Jensen is now reading meters throughout the entire District in one and one-half days. Mr. Swensen inquired about various after hours and water quality calls. It was discussed that the District receives many

after hours calls about breaks, leaks, blue stakes, brown water, low water pressure, and billing questions. The General Manager stated that he wants to refine the Key Indicators to chart the different type of calls. The Board thanked the General Manager for the valuable information.

Jordan Valley Water Conservancy District Report - Trustee Swensen Trustee Swensen reported that JWCD has added three new Board Members; Craig Christensen, Steve Owens and Chad Nicols. He acknowledged those who are no longer on the Board and will miss their expertise but looks forward to working with the new members.

Central Valley Water Reclamation Facility Report - Trustee Behunin Nothing to report.

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

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

RESOLVED: To adjourn the January, 2014 Board Meeting. The motion passed with the following individuals voting in the affirmative: Trustees Behunin, Swensen and Russell.

ACTION ITEMS

- Nelson Replacement Well property