

**MINUTES OF THE TAYLORSVILLE-BENNION
IMPROVEMENT DISTRICT BOARD MEETING HELD MAY 20, 2015**

The regular monthly meeting of the Board of Trustees of the Taylorsville-Bennion Improvement District was held at 3:00, Wednesday, May 20, 2015, at the District office. Present were Trustees Behunin, Trustee Swensen and Trustee Russell. Also present were General Manager, Keith Lord; Assistant General Manager, Kevin Fenn; Engineer, Paul Hirst; Attorney, Todd Godfrey; Controller, Mark Chalk; and Secretary, Tami Fullmer. Randy Jensen and Jeremy Jones, representing Haynie and Company, were in attendance for a presentation. The prayer was offered by Attorney Todd Godfrey.

Approval of Common Consent Items Minutes The Board reviewed and discussed the April, 2015 Board Minutes. After discussion the following motion was made by Trustee Swensen seconded by Trustee Russell:

RESOLVED: To approve the April, 2015 Minutes. The motion passed with the following individuals voting in the affirmative: Trustees Behunin, Swensen and Russell.

Monthly Calendar The General Manager discussed the June Board Meeting which is scheduled for Wednesday, June 17, 2015 at 3:00 p.m. All the Trustees plan on attending.

Presentation of the 2014 Audit Report by Haynie and Co. The Controller welcomed Randy Jensen and Jeremy Jones representing Haynie and Company. Mr. Jones presented the 2014 Audit for the District included in the Board Book. He reported that the audit was conducted in accordance with Government Auditing Standards. He explained that the District continues to demonstrate good budgeting and excellent management practices as outlined by the Federal Government, is in compliance with all general requirements and the District demonstrates very good accounting practices. The auditors stated that they were able to offer a clean and commendable report. After a discussion with the Board the following motion was made by Trustee Swensen seconded by Trustee Russell:

RESOLVED: To approve and accept the auditor's report from Haynie and Company as complete and accurate. The motion passed with the following individuals voting in the affirmative: Trustees Behunin, Swensen and Russell. The Board thanked those with Haynie and Company for their service.

Administrative Policies and Procedures

Consider approval of State Code 57-16-10 compliance methodology for mobile home parks

The General Manager reported that he consulted with both Attorney Godfrey and Dale Westenskow, from Robison-Hill, and come to an understanding of the statute and attempt to determine the costs for each of the mobile home parks; Majestic Meadows, Majestic Oaks and Monte Vista. He is proposing that payment in the form of a check for the last three years, 2012, 2013, and 2014 be paid at this time and continue to make payment once a year. After discussion the following motion was made by Trustee Swensen seconded by Trustee Russell:

RESOLVED: To approve State Code 57-16-10 compliance methodology for mobile home parks and recommend payment be made for the last three years and payments continue to be made

each year in order to comply with the State Code. The motion passed with the following individuals voting in the affirmative: Trustees Behunin, Swensen and Russell.

Consider approval of RFP for rate study The General Manager discussed with the Board that a rate study be conducted in order to gather information and identify the classes of customers to ensure that each are paying a fair share in regards to revenues and costs. He proposed that the District implement a conservation and drought sensitive rate structure in light of the environmental conditions that exist. He anticipates that the study would be completed with recommendations for cost of services for the upcoming 2016 year. CRS Engineers will assist the District in gathering information and provide technical support. An outside firm is also being considered to assist in the study. The General Manager proposed the formation of focus/advisory groups from the community to have a voice in the direction and rate structure of the District. Trustee Swensen asked if this would be a duplication in what Jordan Valley Conservancy District is doing. The General Manager explained that the RFP study would be specific for the Taylorsville-Bennion District area only. Trustee Behunin inquired about the cost of such a study. The Engineer estimated that the cost would be approximately \$35,000. After a lengthy discussion, the Board requested that the General Manager formulate the RFP and present it at the next Board Meeting.

Consider use of equipment to assist in City Art project The General Manager reported to the Board that he had been approached by Dan Toone, an artist and resident of the District, regarding the use of the District's vehicles to be used to deliver large statues to various Taylorsville parks and Taylorsville City Hall in order to beautify many of the City areas. Mr. Toone has approached the City regarding the beautification and display of various statues. The General Manager explained that this project is in the infancy stage and no decisions have been made. Trustee Swensen recommended that the District work together with Taylorsville City in this endeavor, and not with individual artists, when the project becomes a reality. Attorney Godfrey made the recommendation that a release form be signed by all parties involved in the event of any damage to the art work or vehicles. After discussion the Board approved the General Manager to work with Taylorsville City and allow District trucks to deliver the artwork to the various locations along with a signed release form.

Consider Summer Employee Social The General Manager asked for the Board's approval for the Summer Employee Party to be held at Boondock's, a family entertainment center, located in Draper, Utah. After a discussion regarding plans and costs, the Board gave their approval for the General Manager to organize the Summer Employee Social at Boondock's.

Engineering and Construction

Consider award of construction contract for 3900 S Lift Station Grating project The Engineer reported that on May 14, 2015, four bids were received for the 3900 S Lift Station Grating project with ProBuild Construction, Inc, the low bidder. The Engineer recommended that ProBuild Construction, Inc be awarded the contract in the amount of \$179,700 for the 3900 Lift Station Grating project. After discussion motion was made by Trustee Swensen seconded by Trustee Russell:

RESOLVED: To award ProBuild Construction, Inc the contract for the 3900 S Lift Station Grating project in the amount \$179,700. The motion passed with the following individuals voting in the affirmative: Trustees Behunin, Swensen and Russell.

Consider approval of Construction Management fees for 3900 S Lift Station Grating project

The Engineer reported that there are additional fees that need to be included with management of the construction of the 3900 S Lift Station Grating project. The General Manager explained that the District uses the expertise of CRS Engineers, and recommended that they manage the project beginning with the pre-construction meeting, as-built drawings, to the conclusion and completion of the project for an additional amount of \$30,880. After discussion the following motion was made by Trustee Russell seconded by Trustee Swensen:

RESOLVED: To approve the Construction Management fees for the 3900 S Lift Station Grating project in the amount of \$30,880. The motion passed with the following individuals voting in the affirmative: Trustees Behunin, Swensen and Russell.

Financial

Consider approval of certification of delinquent accounts to Salt Lake County Treasurer Mark Chalk, Controller, presented the certifications for the month of May, 2015 in the amount of \$27,518.64. After discussion the following motion was made by Trustee Swensen seconded by Trustee Russell:

RESOLVED: To approve the May, 2015 Certification amount of \$27,518.64. The motion passed with the following individuals voting in the affirmative: Trustees Behunin, Swensen and Russell.

Consider approval of accounts payable Discussed: construction/operation and maintenance vouchers 30243 – 30423 for a total of 104 vouchers, with a dollar amount of \$860,263.64; payroll vouchers 2015193 – 2015220 and 2015221 – 2015248 for a total of 56 vouchers with a dollar amount of \$155,724.20. After a discussion the following motion was made by Trustee Russell seconded by Trustee Swensen:

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, Swensen and Russell.

Reports & Miscellaneous

Report: April financials, graphs The Controller presented 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.

Report: April water usage, new connections, graphs and projects 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 has been completed. The District is waiting for the lien releases to be completed on the homes affected by the flooding. The 4100 South Sewer Replacement Project is on track, progressing slowly and public complaints have been minimal. The Atherton East

Well Rehab is complete, the water has been sampled and the well is ready for use. There is no change on the Nelson Replacement Well. The HZ and LZ landscaping is progressing but the rain has caused some delays. The sprinkler systems are in place and the plant material is arriving this week. Once the plants are on site, there will be an army of workers engaged on the project. Mr. Fenn referred the Board members to the Projects in the Board book for their review. The Board thanked Mr. Fenn for his report.

Report: Engineering Nothing to report.

Report: Legal The Attorney reported that he and the General Manager are revising the Extension Agreement to accommodate circumstances and specific issues that can be reviewed and addressed on a case by case basis throughout the District.

Jordan Valley Water Conservancy District Report Nothing to report.

Central Valley Water Reclamation Facility Report Fred Finlinson, legal counsel for Central Valley, is stepping down. It was a mutual decision between the General Manager, Tom Holstrom and Mr. Finlinson.

Utah Association of Special Districts Report Nothing to report.

Closed Meeting: The following motion was made by Trustee Russell seconded by Trustee Swensen to go into closed meeting for the purpose of discussing the character and professional competence of individuals.

RESOLVED: To approve going into a closed meeting to discuss the character and professional competence of individuals. The motion passed with the following individuals voting in the affirmative: Trustees Behunin, Swensen and Russell.

The following motion was made by Trustee Swensen seconded by Trustee Russell to come out of the closed meeting.

RESOLVED: To approve coming out of the closed meeting. The motion passed with the following individuals voting in the affirmative: Trustees Behunin, Swensen and Russell.

Adjourn The following motion to adjourn the May, 2015 Board Meeting was made by Trustee Swensen seconded by Trustee Russell:

RESOLVED: To adjourn the May, 2015 Board Meeting. The time was 5:35 p.m. The motion passed with the following individuals voting in the affirmative: Trustees Behunin, Swensen and Russell.

Action Items

- RFP Rate Study