

**MINUTES OF THE TAYLORSVILLE-BENNION
IMPROVEMENT DISTRICT BOARD MEETING HELD AUGUST 19, 2015**

The regular monthly meeting of the Board of Trustees of the Taylorsville-Bennion Improvement District was held at 3:05p.m., Wednesday, August 19, 2015, at the District office. Present were Trustee Behunin, Trustee Swensen and Trustee Russell. Also present were General Manager, Keith Lord; Assistant General Manager, Kevin Fenn; Assistant General Manager, Mark Chalk; Engineer Paul Hirst; Attorney Todd Godfrey and Secretary, Tami Fullmer. Dale Westenskow and representatives from Moreton Asset Management were also in attendance for their respective presentations. The prayer was offered by Trustee Russell.

Approval of Common Consent Items July 15, 2015 minutes, calendar, upcoming events, and trustees expense report. The Board reviewed and discussed the July 15, 2015 Board Minutes. After discussion the following motion was made by Trustee Swensen seconded by Trustee Russell:

RESOLVED: To approve the July, 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 September Board Meeting which is scheduled for Monday, September 21, 2015 at 3:00 p.m. The Trustees plan to attend. The Board Meeting date was rescheduled because of a conflict with the AWWA Intermountain Conference. He reminded the Board of the Strategic Planning Meeting that will take place at the District Office on Wednesday, September 2, 2015 from 7:45 a.m. to 4:00 p.m. Important information will be presented for the upcoming 2016 year.

Administrative Policies and Procedures Consider approval of Resolution 15-07, Mobile Home Park Credit Policy The General Manager discussed with the Board that he, Dale Westenskow, as well as Attorney Godfrey, have been working on a solution for the mobile home park credit. He invited Mr. Westenskow to address the Board. Mr. Westenskow outlined the policy and reported that many factors were weighed; the difference in costs of mobile homes vs. subdivisions, depreciation, and a solid, clear approach for the calculation and credit so the appropriate methods would be in place for the future. After a review of the policy and a lengthy discussion the following motion was made by Trustee Swensen seconded by Trustee Russell:

RESOLVED: To approve Resolution 15-07, the Mobile Home Park Credit Policy as outlined by District Management. The motion passed with the following individuals voting in the affirmative: Trustees Behunin, Swensen and Russell. The Board thanked Mr. Westenskow for his report.

Consider approval of Mobile Home Park Credit The General Manager presented the credit for Majestic Meadows, Majestic Oaks and Monte Vista Mobile Home Parks for the previous three years, 2012, 2013 and 2014, for a total credit of \$47,671.07. After discussion the following motion was made by Trustee Russell seconded by Trustee Swensen:

RESOLVED: To approve the Mobile Home Park Credit in the amount of \$47,671.07 for the years, 2012, 2013 and 2014. The motion passed with the following individuals voting in the affirmative: Trustees Behunin, Swensen and Russell.

Consider notice of Strategic Planning Meeting September 2 The General Manager discussed the upcoming Strategic Planning Meeting which is scheduled for Wednesday, September 2, 2015, which will be held in the Board Room from 7:45 a.m. to 4:00 p.m. The Board, Managers and Engineers will be discussing the challenges, needs, and future of the District. The Trustees plan to attend.

Engineering and Construction Consider change orders and final payment for 4100 South Sewer Relief Project The Engineer presented the change orders and final payment for the 4100 South Sewer Relief Project. The total amount for change orders was \$105,639.66, which is 7% of the total bill, and final payment of \$741,258.41 bringing the total contract amount to \$1,353,987.66. District management and the Engineers have been pleased with the work of the contractor, Geneva Rock Products, Inc. After a discussion the following motion was made by Trustee Swensen seconded by Trustee Russell:

RESOLVED: To approve the change order total of \$105,639.66 and final payment of \$741,258.41 with a contract total of \$1,353,987.66. The motion passed with the following individuals voting in the affirmative: Trustees Behunin, Swensen and Russell.

Financials Consider approval of Resolution No. 15-08, Investment Policy Assistant General Manager Mark Chalk presented Resolution No. 15-08, Investment Policy, which was presented to the Board in July for their consideration. He recommended that the Policy be approved as contained in the Board Book. After discussion the following motion was made by Trustee Swensen seconded by Trustee Russell:

RESOLVED: To approve Resolution No. 15-08, Investment Policy as recommended by District Management. The motion passed with the following individuals voting in the affirmative: Trustees Behunin, Swensen and Russell.

Consider appointment of Moreton Asset Management as financial advisors Mr. Chalk introduced Jason Williams and Andy Robbins, managing partners at Moreton Asset Management, a certified financial advisor under the Utah Money Management Act. Mr. Williams and Mr. Robbins presented a power point report which included Moreton's four main elements; 1) Security for the District and recommends a third party to maintain a custodial account; 2) Transparency with how funds are invested; 3) an Investment policy which has been approved by the Board, and 4) Expertise, which is the reason why the District hire Moreton Asset Management to handle the investments. They explained that the investments are very low risk and will assist the District in building reserves for the future. After a lengthy discussion, the General Manager recommended that the Board approve Moreton Asset Management to represent the investment needs of the District, along with a third party, Wells Fargo Bank, to maintain the custodial account for the District. The following motion was made by Trustee Swensen seconded by Trustee Russell:

RESOLVED: To approve the appointment of Moreton Asset Management as financial advisors for the District, along with a third party, Wells Fargo Bank, to maintain the custodial account for the District. The motion passed with the following individuals voting in the affirmative: Trustees Behunin, Swensen and Russell. The Board thanked Jason Williams and Andy Robbins for their informative presentation.

Consider approval of certification of delinquent accounts to Salt Lake County Treasurer
Assistant General Manager, Mark Chalk, presented the certifications for the month of August, 2015 in the amount of \$26,411.91. After discussion the following motion was made by Trustee Russell seconded by Trustee Swensen:

RESOLVED: To approve the August, 2015 certification amount of \$26,411.91. 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 30765 – 30875, including voided voucher #30769, for a total of 111 vouchers, with a dollar amount of \$1,028,918.52; payroll vouchers 2015361 – 2015388 and 2015389 – 2015416 for a total of 56 vouchers with a dollar amount of \$158,213.86. After a discussion the following motion was made by Trustee Swensen seconded by Trustee Russell:

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

Legal Consider Wirthlin well site agreement Attorney Godfrey recommended that the Board enter into a closed session for the purpose of discussing the purchase, exchange, lease or sale of real property. The following motion was made by Trustee Swensen and seconded by Trustee Russell:

RESOLVED: To go into closed session for the purpose of discussing the purchase, exchange, lease or sale of real property. 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 to come out of closed session.

RESOLVED: It was approved to come out of closed session. The motion passed with the following individuals voting in the affirmative: Trustees Behunin, Swensen and Russell.

The General Manager recommended to the Board that Taylorsville-Bennion Improvement District enter into an agreement with Robert L. Wirthlin, at 4701 South 1065 West, to purchase the Wirthlin property for a culinary well site if suitable quantity and quality of water is found, and authorized Attorney Godfrey to obtain any deeds associated with this property. After discussion the following motion was made by Trustee Swensen seconded by Trustee Russell:

RESOLVED: To approve the agreement between the District and Robert L. Wirthlin, at 4701 South 1065 West, and purchase the property for a culinary well site if suitable quantity and quality of water is found, and authorize Attorney Godfrey to obtain any deeds associated with this property. The motion passed with the following individuals voting in the affirmative: Trustees Behunin, Swensen and Russell.

Reports & Miscellaneous

Report: June financials, graphs Assistant General Manager, Mark Chalk, 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: July water usage, new connections, graphs and projects Assistant General Manager, Kevin 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 the CIPP is 100% complete. The District has received paperwork on the settlement of the flooded homes on all but one. They will hold an amount for this home and release the final payment. The 4100 South Sewer Replacement Project is complete and final payment was approved by the Board today, August 19, 2015. The Millrace and Wirthlin Test Wells are in the preliminary design phase. The LZ landscaping is approximately 99% complete and final walk through will occur after Labor Day. The HZ landscaping is being designed and will be done in two phases. The District is seeking grant money from Jordan Valley Water Conservancy District to assist in the financing of the project. The 3900 S Lift Station-Grating/Odor Control Project is progressing and is on schedule for an October completion date. He referred the Board members to other Projects in the Board book for their review. The Board thanked Mr. Fenn for his report.

Report: Engineering Nothing to report

Report: Legal Nothing to report.

Report: Management The General Manager reported that the District has hired two new employees, Daniel Spor and Kenneth Tanner. They will be working with both the water and sewer crews and both have previous water and sewer experience.

Jordan Valley Water Conservancy District Report Trustee Swensen reported that five Trustees' appointments are up and it is time for reappointment. The reappointments are done by the Governor.

Central Valley Water Reclamation Facility Report Trustee Behunin reported that projections for waste removal is becoming more costly and presents a challenge for Central Valley as well as all the entities associated with Central Valley. He will keep the Board updated on the situation.

Utah Association of Special Districts Report Trustee Russell reported that UASD is watching and monitoring the Special Session of the State Legislature very closely. He will report any news that affects the District.

Closed Session The General Manager recommended that the Board enter into a closed session to discuss the character, professional competence, or physical or mental health of an individual. The following motion was made by Trustee Russell seconded by Trustee Swensen:

RESOLVED: To go into closed session to discuss the character, professional competence, or physical or mental health of an individual. 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:

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

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

RESOLVED: To adjourn the August, 2015 Board Meeting. The time was 5:30 p.m. The motion passed with the following individuals voting in the affirmative: Trustees Behunin, Swensen and Russell.

Action Items