

**MINUTES OF THE TAYLORSVILLE-BENNION  
IMPROVEMENT DISTRICT BOARD MEETING HELD JANUARY 18, 2017**

The regular monthly meeting of the Board of Trustees of the Taylorsville-Bennion Improvement District was held at 3:00, Wednesday, January 18, 2017 at the District office. Present were Trustees Behunin, Swensen and Russell. Also present were General Manager, Keith Lord; Assistant General Manager, Kevin Fenn; Assistant General Manager, Mark Chalk; Engineer, Paul Hirst; Attorney, Mark Bell and Secretary, Tami Fullmer. The prayer was offered by Tami Fullmer.

**Approval of Common Consent Items**

Minutes The Board reviewed and discussed the December 21, 2016 Minutes. The General Manager noted two corrections on the draft minutes. After discussion motion was made by Trustee Swensen seconded by Trustee Russell:

RESOLVED: To approve the December 21, 2016 Board Meeting minutes with the noted corrections. The motion passed with the following individuals voting in the affirmative: Trustees Behunin, Swensen and Russell.

Monthly Calendar The General Manager reported that the February Board Meeting will be held Thursday, February 16, 2017 at 3:00 p.m. All Trustees plan on being in attendance.

**Administrative Policies and Procedures**

Consider approval of revision to Employee Policy #34-Use of Mobile Phones The General Manager presented the Board with revised policy #34- Use of Mobile Phones in which the employees of the District would use their own phone and be reimbursed by the company or receive a phone provided by the District using the following criteria: Level 1 -Employees, who have minimal need to be in contact with office or staff would receive an allowance of \$15 per month or a company phone; Level 2 – Employees that have a moderate need to be in contact with the office day or night would receive an allowance of \$35 per month or a company phone; and Level 3 – Employees that have an extensive need to be in contact with the office, staff and public day or night, and have responsibility to make critical decisions would receive an allowance of \$50 per month or a company phone. Each employee would provide the District with their phone number, keep their plan and phone in service and know that their phone is subject to GRAMA law. He explained that the plan would save a substantial amount of money for the District. After discussion the following motion was made by Trustee Russell seconded by Trustee Swensen:

RESOLVED: To approve the revision to Employee Policy #34-Use of Mobile Phones as outlined by the General Manager. The motion passed with the following individuals voting in the affirmative: Trustees Behunin, Swensen and Russell.

Consider Attendance at Conferences 2017 The General Manager presented the Conferences for 2017 and explained that it would be advantageous to select those conferences now, at the beginning of the year, so arrangements could be made to reserve rooms and register for each conference in advance. The Board Members reviewed the upcoming conferences and will determine those that they will attend.

Ratify board meeting dates for 2017 The General Manager reviewed the 2017 Board Meetings with the Board explaining that with additional date changes following the December 21, 2016 Board Meeting, that the Board Meetings need to be ratified by the Board. The following motion was made by Trustee Swensen seconded by Trustee Russell:

RESOLVED: To approve and ratify the 2017 Board Meeting schedule. The motion passed with the following individuals voting in the affirmative: Trustees Behunin, Swensen and Russell.

### **Engineering & Construction**

Consider approval of engineering services for CIPP 2017 Phase 4 Project The Engineer reported that he is preparing plans for lining the sanitary sewer mainlines along Redwood Road from approximately 5250 South (Taylorsville High School) north to 4700 South. He is coordinating the work with UDOT. The proposed engineering costs for work with the line extending through the intersection at 4700 South, is \$62,259. The engineering costs excluding the intersection would be \$47,719. District Management asked the Board for authorization for either of the two proposed engineering contracts. After discussion the following motion was made by Trustee Russell seconded by Trustee Swensen:

RESOLVED: To approve the recommendation of District Management to authorize the expenditure for either \$47,719 without the intersection work or \$62,259 with the intersection work. The motion passed with the following individuals voting in the affirmative: Trustees Behunin, Swensen and Russell.

Consider close out of Swensen Well and Millrace (5300 S) exploratory drilling contract The Engineer reported that the budgeted amount for engineering was \$73,360 and the actual engineering cost totaled \$77,321. He explained that many unforeseen challenges occurred relative to drilling both wells. There was the issue of unpredictability of the wells and increased test pumping was required. The additional development work was done at previously determined cost pricing. The final cost of the project is \$1,497,952.75, an increase of approximately \$40,000. After much discussion the following motion was made by Trustee Russell seconded by Trustee Swensen:

RESOLVED: To close out the Swensen Well and Millrace (5300 S) exploratory well contract for an actual cost of \$1,497,952.75. The motion passed with the following individuals voting in the affirmative: Behunin, Swensen and Russell.

Consider final close out of Middle Zone Tank Lid re-surfacing contract The Engineer reported that neither District Management nor the contractor knew the exact amount of crack repair required. Because of the extent of the cracks and work required, the project increased at a predetermined unit cost to \$14,652 bringing the actual project amount to \$198,511.76. The Engineer and Management are pleased with the product and the contractor's work. After discussion the following motion was made by Trustee Russell seconded by Trustee Swensen:

RESOLVED: To approve the final close out of the Middle Zone Tank Lid re-surfacing contract with the adjusted amount for the project of \$198,511.76. The motion passed with the following individuals voting in the affirmative: Trustees Behunin, Swensen and Russell.

### **Financials**

#### **Consider approval of certification of delinquent accounts to Salt Lake County Treasurer**

Assistant General Manager, Mark Chalk, presented the certifications for the month of January, 2017 in the amount of \$47,152.81. After discussion the following motion was made by Trustee Swensen seconded by Trustee Russell:

RESOLVED: To approve the January, 2017 Certification amount of \$47,152.81. 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 33767 - 33961, including voided vouchers, #33845, #33847, #33848 and #33850; for a total of 195 vouchers, with a dollar amount of \$924,977.83; payroll vouchers 2016695 – 2016724 and 2017001 – 2017030 for a total of 60 vouchers with a dollar amount of \$177,121.69. 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 passed with the following individuals voting in the affirmative: Trustees Behunin, Swensen and Russell.

**Consider approval of designating additional reserves** Assistant General Manager, Mark Chalk, presented a review of the reserves for the future. He indicated that the budgeted reserve amount to be added during the year 2016 is \$100,000, making the total reserve amount \$8.3M. He reported that the addition to the reserves would be limited in the years, 2016, 2017 and 2018. By the year 2019, the District could add approximately \$1M to the reserves. Trustee Behunin asked where the District is getting the reserves. Mr. Chalk explained that the reserves are generated from the rate increases the past several years. Trustee Swensen inquired about population growth within the Taylorsville boundaries. Mr. Chalk reported that 95% of Taylorsville's land is occupied and built with a small amount of land existing for some future growth. After discussion the following motion was made by Trustee Swensen seconded by Trustee Russell:

RESOLVED: To approve District Management's recommendation to raise the reserves over the next several years and increase the limit to \$8.3M. The motion passed with the following individuals voting in the affirmative: Trustees Behunin, Swensen and Russell.

### **Reports & Miscellaneous**

**Report: General Manager: New logo, 60<sup>th</sup> Year Incorporation Celebration** The General Manager explained that the District will be commemorating 60 years of Incorporation and would like the Board to consider a revision to the Taylorsville-Bennion logo. He stated that a fresh, new look featuring a modern design would benefit the company. He asked that we spend

approximately \$1,000 to contract with a company to create two to three ideas for a new District logo. After discussion the following motion was made by Trustee Swensen seconded by Trustee Russell:

RESOLVED: To approve the General Manager to spend \$1,000 to contract with a company to create two to three ideas for a new District logo. The motion passed with the following individuals voting in the affirmative: Trustees Behunin, Swensen and Russell.

Report: Assistant General Manager CAO: December financials, graphs, EUM 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 the minutes. The Board thanked Mr. Chalk for his report.

Report: Assistant General Manager COO: December water usage, new connections, graphs, 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: Nelson Replacement Well (Land) – The District is moving toward the purchase of the property. The District should see approvals from Taylorsville City in February. Nelson Replacement (Well Drilling) – Was previously reported by Engineer, Paul Hirst; Swensen Well House – Plans are being finalized with review and bidding to occur in February, 2017. Construction and completion to occur by August, 2017; MZ Tank Lid Rehab – Was previously reported by Engineer, Paul Hirst. 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: Engineer Nothing to report.

Report: Attorney Nothing to report.

Report: Trustee – Central Valley Water Reclamation Facility Trustee Behunin reported that a new CFO will be introduced at the next Central Valley Board Meeting that will be held Wednesday, January 25, 2017.

Report: Jordan Valley Water Conservancy District Trustee Swensen reported that Karen Lang, a new Board Member, is replacing Kent Winder, who is leaving for an LDS Mission.

Report: Trustee – Utah Association of Special Districts Nothing to report.

Closed Session to discuss the character, competence or 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, competence or 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 Russell seconded by Trustee Swensen:

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

Consider approval for awards for employees The following motion was made by Trustee Russell seconded by Trustee Swensen:

RESOLVED: To approve a total of \$10,000 to be split and awarded to employees determined by the General Manager for exceptional performance. The motion passed with the following individuals voting in the affirmative: Trustees Behunin, Swensen and Russell.

Adjourn The following motion to adjourn the January 18, 2017 Board Meeting was made by Trustee Swensen seconded by Trustee Russell:

RESOLVED: To adjourn the January 18, 2017 Board Meeting. The time was 5:08 p.m. The motion passed with the following individuals voting in the affirmative: Trustees Behunin, Swensen and Russell.

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## Action Items