

**MOUNTAIN GREEN SEWER IMPROVEMENT DISTRICT**  
5455 West Old Highway Road, Mountain Green, Utah 84050  
**Minutes of the monthly Board of Trustees Meeting**  
Thursday, February 5, 2015 @ 7:00 PM

**Board Members Present:** Mark Devoe, Zane Gray, Wendy Eliason, Shane Rice and Lynn Peterson. **Excused:** Tina Kelley & Blair Larsen **Employees Present:** Robert Volk & Janet Boudrero **Guests Present:** Lars Ulissey, resident of Mountain Green

**Invocation:** Lynn Peterson

**Chair:** Mark Devoe welcomed those present and conducted the Board Meeting.

**Item #1: Discussion: Elections in November**

The elections for MGSID Board Members will be held this November and coincide with the elections for Morgan City and the Fire District. Janet is ensuring we are posting all required notices and will keep the Board updated on county registration requirements. The following Board Members are up for re-election this year: Tina Kelly, Zane Gray, Shane Rice & Mark Devoe

**Item # 2: Discussion: Notification requirements for Ordinance update**

Dennis let me know that he did not hold a public hearing or post any special notices other than the regular Board Meeting notices when he updated the Ordinance in 2010. Jon Call, our attorney, said that he could not find any rule relating to ordinances for special districts in general operating procedures. He did not see anything that requires a public hearing to be held for any ordinances adopted by the District. Counties and municipalities are required to hold hearings for these types of changes, but their ordinances and resolutions have some additional criminal/civil penalty overtones. Jon believes that although the code for special districts does not require a public hearing, he does think that we should include the information in our public meeting notices and then allow for public comment on the proposed changes in the same manner as a public hearing, just to be safe. He added that there is no reason to redo what we did at the last meeting as we posted all required meeting notices in advance and our Agenda allowed for public comment. Plus, the proposed changes were presented in detail and discussed openly. Jon did suggest that when we present future ordinance changes that we simply include a public comment period at the beginning of the item discussion, even though there would probably not be any guests present.

**Item # 3: Discussion: MGSID two year demonstration period.**

Article VII of the MGSID Ordinance for District Acceptance of Development Sewers specifies a two year demonstration period followed by an Acceptance Procedure before the District will accept ownership of the installed sewer system. It was brought to our attention that both the state and the county limit a warranty period for developers to only one year, so there was a concern that our two year period might be unenforceable and/or possibly illegal. Jon Call, the attorney for the District, reviewed the statutes and confirmed that our Ordinance is both legal and enforceable, so no change is necessary.

Under the Local Special Districts Act it simply states that an improvement assurance warranty “will not fail in any material respect within an agreed warranty period” 17B-1-102(10). The County code does state that the warranty period is limited to one year (17-27a-103(21 &22)).” Jon did not see any restriction like that in the Local Services District Code.

**Item # 4: Discussion/Decision: Privacy concern for Financial Assistance Discount application**

The application process for the Financial Assistance Discount has been updated to reflect the Board’s concern for keeping any applicant’s confidential information from being made part of public record. The Board should review the presented application for comments and/or corrections. The applicant will be asked to bring any sensitive personal and financial documents necessary to demonstrate the need for assistance to the private interview with two people present, such as the Manager and the Secretary. During the interview, notes will be taken on the basic information necessary to allow the Board to review an anonymous application and make decisions without a direct connection to the applicant’s identity and/or residence location. In this manner, none of the personal records or private information would ever come under the ownership, control or responsibility of the District. Per our attorney: *“With regards to the personal information... you can “classify” it under the GRAMA laws as a private or protected record that can only be disclosed by Court Order or other similar method. You could also in the process simply request that any sensitive information such as tax filing records be provided to the district in a meeting with the Manager, but not actually formally submitted. This way it was never even under the control of the District and was never their record. This would allow the Manager to make notes about the financial background, without the burden of controlling such sensitive information. I would worry more about somebody being the victim of credit fraud and accusing the District of being the cause of the problem.”*

A couple of the Board Members asked for clarification on what information would be copied and/or kept on file and Robert let them know that only the application itself would be retained. Otherwise, the general consensus was that this would meet the needs for privacy and still allow enough information to make a sound decision.

Shane made a motion to approve the Financial Assistance Discount Application as presented to protect the sensitive information of those who may apply. Zane seconded the motion. Motion passed ~ unanimous.

**Item # 5: Discussion/Decision: Problems with the Vacant Home Discount**

The process of using the monthly water bill to verify a vacant home for the discount is proving to be ineffective and a point of contention for anyone who feels they don’t use the sewer as much somebody else. The culinary water bill verification limit of 20 gallons of usage per month will work for areas that have secondary water for irrigation, but developments like the Highlands, Whisper Ridge, Monte Verde, etc., all use culinary water for irrigation-even if the home is partially or seasonally occupied. Customers who want this discount have the valid argument that their home is vacant but the water bill shows usage for lawns so they are not able to get their discount. A couple of residents have also argued that they should get a discount because they feel they don’t use the sewer as much as other homes with more occupants. The problem with any discount

for variances in usage (occupancy or quantity) is that there will always be someone who feels they deserve some kind of consideration and could technically be applied to every home in the District. There is no metering device for individual sewer usage so the only fair method is to charge a flat fee, and the original District bylaws state that every residence within the District boundaries, connected or not, is required to pay the same monthly service fee.

As a reminder, the District Manager believes there should be no discount for any home within the District other than for a valid financial hardship because it goes against the original charter and is time consuming to administer and police. Whether a residence is occupied or not, or producing more or less wastewater than a neighbor, is not a justifiable variable for a discount. The costs for running and maintaining the system so that it is available on demand are the same. The District Manager is asking the Board to either eliminate the Vacant Home Discount entirely, or propose an effective means of verification, along with the additional budget that will be required to administer (constantly change billing in and out requests) and police the applicants (call the county and water companies to request records, then go through all of the records every month to look for changes, drive by and inspect properties...).

At this point our guest, Lars Ulissey, was invited to speak. Lars asked how this Vacant Home Discount came to be as he was pleasantly surprised to discover that it did exist. Mark answered that some things, like this discount, came into being not through formal policy, but as an informal gesture with the best of intentions. However, as the District has grown it has become a problem that required a more formal policy. The Board has attempted over the past few months to craft a workable, 'official' policy or program that would allow a discount such as this to be effectively and equitably available. But, the experience so far has been that this Vacant Home Discount is not working and is proving to be too difficult to fairly administer and track.

Lars thanked Mark for filling him in and added that if the Board decided to keep the Vacant Home discount then he hopes some suitable policies could be worked out that would make it feasible. Mark asked Lars if he could share any ideas or recommendations, and Lars responded that he believed the District could just ask the homeowner to bring in something like military orders or a signed and notarized affidavit stating that the home is vacant and then rely on the honesty of the homeowner to notify the District when things change. In this manner there would be no additional burden or cost to the District in order to administer the program.

Robert answered that this is an idealistic hope that doesn't work out in practice, and it has nothing to do with anyone's honesty or integrity. In reality, once a discount is put in place, the responsibilities that go with it are quickly forgotten. When you come back to your home for Christmas, or stop in for a month, or loan the house out to friends and relatives, you will never remember to contact the sewer department to have the monthly fee set to full rate. It just doesn't happen. The electricity, the gas and the culinary water all have meters so they can charge a minimum fee and easily charge for what is used when it is used because the meter will automatically record the usage when someone is in the house. There is no meter, no switch and no notification whatsoever when wastewater starts coming out of a house. That is why the fees were set as a flat rate to be charged to everyone within the District boundaries, with no exception.

Lars said he understood the difficulties in offering a discount such as this. He thanked the Board for their work and excused himself from the meeting.

Robert then expressed to the Board how difficult it is to continually go through almost confrontational discussions with customers who feel they deserve a discount, but can't provide the required proof. It creates a negative situation that would not exist if discounting were not allowed. Shane added that he owns a home in the St. George area and the county down there charges extra on the property taxes for homes that are seasonally occupied. This illustrated that other communities not only do not give discounts, but in some instances place a surcharge for homes that are not occupied.

Zane summed everything up by stating that we all have a sewer system, and we all need to work together to keep it healthy, functional and viable so it is available on demand for everyone at any time of the year. The District bylaws or charters laid out the requirement for everyone within the District to pay the monthly fees, and we have people within the District who are not connected to the sewer system but still being charged. Because of this, I strongly believe that a discount for having a vacant home should be completely eliminated.

Zane made a motion to eliminate the Vacant Home Discount. Lynn seconded the motion. Motion passed ~ unanimous.

**Item # 6: Discussion: District Operations ~ January 2015**

The Board reviewed the District Operations notes for January 2015 as presented in the Agenda. Robert added that Tuesday night, after the Agenda had been sent, the grinder pump at the residence on Gordon Creek Circle had failed. A repair technician was sent out Wednesday morning, but the pump failed again on Thursday morning so he went back out again. The pump and some wiring had to be replaced so it will cost the District about \$580 in labor and another \$1,500 to refurbish the pump that was removed. The cause was determined to be old corroded wiring and a leaking junction box which caused shorts and burned some circuits on the pump.

**Item # 7: Discussion: District Statistics as of January 31, 2015**

Board members reviewed the statistics on Impact Fees, ERU status, connections, bank statements and financial reports.

**Item # 8: Discussion / Decision: Review and approval of Jan. 15, 2015 Minutes**

Zane made a motion to accept the January 15, 2015 minutes as presented. Wendy seconded the motion. Motion passed.

**Item # 9: Discussion: The next Board Meeting is scheduled for Thursday, March 5, 2015 at 7:00 PM**

**Adjourned:** 8:45 P.M.

**Signed:** \_\_\_\_\_