

MOUNTAIN GREEN SEWER IMPROVEMENT DISTRICT
5455 West Old Highway Road, Mountain Green, Utah 84050
Minutes of the monthly Board of Trustees Meeting
Wednesday, July 15, 2015 @ 7:00 p.m.

Board Members Present: Mark Devoe, Tina Kelley, Shane Rice, Lynn Peterson and Zane Gray.
Excused: Blair Larsen and Wendy Eliason **Employees Present:** Robert Volk & Janet Boudrero.
Guests Present: Cody Cardon and Lannie Jolley

Invocation: Zane Gray

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

Item # 1. Discussion/Decision: 2014 Audit Results

Cody Cardon with Wood, Richards and Associates was here to present the financial statements of our business-type activities and each major fund of the Mountain Green Sewer Improvement District for the 2014 Calendar Year.

After going over their findings Cody reported that the District looks great but they do have a list of recommendations that if followed will bring us into compliance with certain state regulations and improve our standing for our 2015 audit.

Cody first addressed the Internal Control over Financial Reporting and said that we definitely need a separation of duties pertaining to the financial records. He stated that our records should be reviewed and monitored by a party independent of the accounting system. He suggested we have one of our board members look over our financial statements each month. It was recommended to set up online banking access for either a board member or possibly the Chairperson, for the purpose of reviewing the financials in a timely fashion and be documented. We could increase compensation for the additional time required for completing those monthly obligations.

He then addressed State Compliance with the Government Records Access Management Act (GRAMA) and said to be compliant with the requirement for GRAMA, our Records Officer (Janet Boudrero) is required to complete either online training or attend a class followed by taking the test. This is also a yearly requirement for the records officer. Janet indicated she is scheduled to take this training the first week in August.

Cody reminded us that all board members are required to complete annual training on the Open and Public Meetings Act as well as the Special and Local Service District Board Member's Training for new board members. These classes can be taken online or we can have someone such as Jon Call or LeGrand Bitter provide the training here at our office during a regularly scheduled meeting. Several of the Board Members agreed this is necessary and asked Robert to see about scheduling a class on Wednesday, September 16 instead of a regular meeting.

Cody next addressed being in state compliance with Purchasing Policies and the need for the District to adopt a purchasing policy that is current and up to date with Utah State Law and strictly adhered to. He indicated that our policies are significantly outdated and no longer in compliance with Utah State Law. He suggested that we adapt our own policy from the template provided by UASD and then have it review by our attorney to ensure that our purchasing policies are compliant with the State laws governing Special and Local Districts.

Cody then reminded us that we also need to be in State Compliance with the Construction Process and Competitive Bidding policy. He suggested that the District start the process to prepare and implement new purchasing policies and research bidding requirements.

Lannie Jolley who has served previously as a board member was present to observe our board meeting as he has expressed interest in again serving as a board member beginning in January 2016 to fill the seat of one of our two board members who will not be returning and whose terms expire December 31, 2015. Lannie also indicated he has experience with writing procurement policies and service contracts.

After further board review and discussion Tina made a motion to accept the 2014 Audit as presented by Cody Cardon. Zane seconded the motion. All voted in the affirmative. Motion passed.

Item # 2. Discussion/Decision: Reeder Resolution for Annexation

Robert explained the history with Karl Reeder as he has gone through the Annexation process. Karl has supplied the Petition, the Deed and the Signed Annexation Plat for lot 9 in Rosehill. After board discussion Zane made a motion that we approve Resolution 150715A for the Annexation of Lot 9 in the Rosehill development into the Mountain Green Sewer Improvement District. Shane seconded the motion. All voted in the affirmative. Motion passed.

Item # 3. Discussion/Decision: Potter Resolution for Annexation

Susan Potter has supplied the District with the Petition, the Deed and the Signed Annexation Plat for Lot 8 in Rosehill which are all of the preliminary steps in the annexation process.

After board discussion Shane made a motion to approve Resolution 150715B for the annexation of Lot 8 in the Rosehill development into the Mountain Green Sewer Improvement District. Lynn seconded the motion. All voted in the affirmative. Motion passed.

Item # 4. Discussion/Decision: Contracting out the Transparency Report

Robert updated board members on the requirements for filing the Transparency Reports with the state. There are four quarterly transparency reports along with two additional annual reports that must be completed and then uploaded to the state. Robert said that the process for each report is different, lengthy and complicated. He stated that he is capable of doing the quarterly reports but suggested that the additional reports should be handled by a specialist.

Cody Cardon from Wood, Richards & Associates recommended Alan McEwan & Co. The estimated cost is \$250. Per report, times 2 reports= \$500.per year.

After discussion by board members Tina moved to approve the \$500 addition to the 2015 Budget to approve having the two transparency reports being done by outside contract. Shane seconded the motion. Motion passed.

Item # 5. Discussion: District Operations - June 2015

Robert informed the board that the effluent water continues to measure well within the state requirements and removed over 98% of TSS in June. E-Coli bacteria registered at only 3 organisms per 100 milliliters.

Item # 6. Discussion: District Statistics as of June 30, 2015

Board members reviewed the District statistics as of June 30, 2015. Chairman Mark Devoe commented that he would like the Board to review the pay rates for the employees and the salary for the manager at the September meeting. Mark added that he would like to complete this before his term ends to ensure the District pay scales are sufficient and competitive.

Item # 7. Discussion/Decision: Review and approval of June 3, 2015 Minutes

After board review of the Minutes of June 3, 2015, Shane made a motion to approve the minutes as corrected. Zane seconded the motion. Motion passed.

Item # 8. Discussion: The next regularly scheduled Board Meeting will be on the first Wednesday, August 5, 2015 at 7:00 p.m.

Adjourn: 9:30 p.m.

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