

MOUNTAIN GREEN SEWER IMPROVEMENT DISTRICT
5455 West Old Highway Road, Mountain Green, Utah 84050
Minutes of the Board of Trustees Meeting
Wednesday, April 4, 2018

BOARD OF TRUSTEES MEETING AT 7:00 PM

Board Members Present: Zane Gray, Larry Nance, Bob Woodcock, Gary Ross, Wendy Eliason, Lynn Peterson and Richard Kempton.

Employees Present: Robert Volk, Sadie Barlow

Guests Present: D'Lynn Poll, Tina Kelley.

- A. Call to Order:** 7:05 PM. Board Chairman Zane Gray welcomed all that were present and welcomed those individuals visiting. It was also asked by Larry that we move item #13 forward in the meeting to about #7.5 it was a motion to approve Larry motioned and Gary seconded. All voted affirmative. Motion passed.
- B. Prayer:** Larry Nance
- C. Approval of Agenda:** Larry asked that we move item #13 forward in the meeting to about #7.5. Larry motioned to approve the agenda and Gary seconded. All voted affirmative. Motion passed.
- D. Declaration of Conflicts of Interest: None**
- E. Approval of Minutes** – February 7, 2018 & March 7, 2018: Zane had some changes to make to the February and March minutes. In February minutes on page 7 paragraph 5. Tony Hassel did not remove himself from the candidacy he excused himself from the proceedings to wait the outcome and asked to be surprised. Wendy motioned to approve the minutes with the correction starting at. At this point. Make the correction. Larry seconded the motion. All voted affirmative. Motion passed. In the March minutes the name needed to be changed from Gary to Larry on the first page. On page 4 it needs to say Blair and Wendy and new board member scratch Chairman. Larry made a motion to accept the minutes and make the correction to scratch chairman. Also to change name from Gary to Larry. Wendy seconds the motion. All voted affirmative. Motion passed.
- F. Next Board Meeting is scheduled for May 2, 2018 at 7:00 PM**
- G. Public Comment Period.**

AGENDA ITEMS

Item #1: The resignation letter from Blair Larson to be read out loud.
Gary read Blair's resignation letter to the board.

Item #2: Discussion/Decision: Appoint candidate(s) to fill the open Trustee position.

Richard Kempton gave some information about himself and why he felt he would be a good fit for the board and a little background on himself. Lynn Peterson gave his apologies for the way things were handled in the last meeting and explained he would like to remain on the board and feels he also has a lot to offer to the board. Zane asked both candidates to excuse themselves from the room for the board to discuss. The board agreed that they both have many good qualities to add to the board. Larry makes a motion to approve Richard Kempton and Lynn Peterson as new board members. Bob seconds the motion. All voted affirmative. Motion passed.

Item # 3 Discussion: Swearing in the new Trustee(s).

Lynn and Richard were both sworn into their seats on the board by repeating the oath after Zane. Zane welcomes them to the board.

Item # 4 Discussion/Decision: Will Serve Request for Mountain Green Middle School

D'Lynn Poll speaks for the school and comes to inform the board that the new Mountain Green Middle School is being built on trappers and they will need a Will Serve for 15.5 ERUs for the new school. Robert makes the board aware that the school has been really good at communicating with him so they know everything that needs to be done. Gary motioned to approve the school needing a Will Serve for 15.5 ERUs. Larry seconded the motion. All voted affirmative. Motion passed.

Item # 5 Discussion/Decision: Will Serve Request for Mike Wasuita

This section was VOIDED. Mike Wasuita is no longer asking for an ERU.

Item # 6 Discussion/Decision: Labor expense for completion of diffuser replacements.

The Board is now being asked to approve the expense of \$15,842 for the labor required to change out the remaining 304 diffusers for 76 drops on the aeration lines so we can complete the work in April 2018. Richard asked if this was a reasonable bid. Robert explained this someone they always use. Larry motions to approve the expense of \$15,842 to complete the change of the 304 diffusers for the 76 drops on the aeration lines. Lynn seconds the motion. All voted affirmative. Motion Passed. There was also a lengthy discussion on Impact Fees.

Item# 7 Discussion/Decision: Transfer money between accounts

In order to maximize earned interest, the Board has decided to make monthly transfers of excess funds from the main checking account and the 5271 account into the PTIF accounts. Larry recommended that we give the Manager the authority to make any necessary account transfers weekly at the Manager's discretion. Gary agrees that would help by simplifying the process. Robert currently doesn't make any changes right now unless the Board has recommended and approved the transfers in a Board Meeting. Robert reluctantly agrees to do this but wants the whole board on the same page with everyone agreeing that they want him to make the decisions to do bank transfers. He doesn't want anyone coming back on him with an unfounded accusation that he is acting without Board approval or knowledge. Larry makes a motion to have Robert transfer money from the 1st bank accounts to the PTIF accounts a minimum of once a week at his discretion, and to present a summary of the funds that are transferred each month. Richard seconds the motion. Motion passed. Larry also makes a motion to create an

additional PTIF account to gain interest on the \$3,456 impact fees that are sitting in the 1st Bank 3456 account. Gary seconds the motion. Motion passed.

Item #13 Discussion: Status of Grievance

There was a discussion about the status of grievance and trying to find a time of when Larry and Gary could meet with Robert to discuss this topic. There was a discussion that there needed to be two people present at the meeting with Robert. There was a date set up for them to meet and it will be discussed with the board next month.

Item # 8 Discussion: Cancellation of Bonds

Zane wanted to know if cancelling the Treasurer's bonds without the Board approval was appropriate. Bob Woodcock explained that this was all done in good intention and in the best interest of the Board after he and Larry Nance had discovered the duplicate coverage on the Fire District's policies. They notified Robert, who did the due diligence on this topic to confirm their findings. Robert explained that cancelling these redundant bonds was a normal administrative task that is part of the Managers duties and in no way questionable. It was completed only after confirming with both our insurance company, ULGT, and the Money Management Council that the new coverage would be sufficient to take the place of the prior separate bonds. The cancellation of the duplicate coverage would save money for the Sewer District and would not normally be considered a decision for the Board.

Item #9 Discussion/Decision: Increase Liability Insurance Limits

Larry gave an example with the snowplow hitting a sewer cap this winter and sending it flying. Had it hit someone or something, the District could be held liable for significant damages. At Larry's request, Robert had received a quote on what it would cost to increase the District's Liability Insurance from \$2 million to \$5 million. The response was that it would cost \$695 per year more in 2018. Everyone agreed that was a reasonable amount for the increased coverage limits and that it was a good decision to make on behalf of the sewer. Gary made a motion to change the limits of the Mountain Green Sewer Improvement liability policy from \$2million to \$5 million for an additional \$695 for 2018. Lynn seconds the motion. All voted affirmative. Motion passed.

Item # 10 Discussion/Decision: Define the process of creating and distributing the Agenda and Minutes.

There was a lengthy discussion on the process of doing the Agenda and the Minutes. It was decided that for May meeting, Robert will continue to do the Agenda and forward it to Zane and from there Zane will forward it to the rest of the board and staff for comments and additions with the final version being delivered to the Manager by mid-day Monday before the meeting so the Manager can post it and send it back out again. With the minutes, the Board suggested that Sadie create only a greatly summarized version of the lengthy conversations and attempt to have them done within 2 weeks. Sadie will then send them to Robert for editing, who will send them on to Zane. Gary made a motion to "postpone item #10 for the process of creating and distributing the Agenda and Minutes to the May meeting so that Zane can draft some kind of administrative process that will simplify and clarify how this should be done." Motion seconded by Bob Woodcock. Motion passed.

Item# 11 Discussion: Staff Log

Bob Woodcock stated that we need a full time manager, without question, and that the Manager should be determining other staffing needs. Robert stated that he feels all of the staff are doing their jobs and not wasting time, and the idea of requiring everyone to fill out hourly work logs is an onerous and unnecessary attempt at micromanagement. The other Board Members agreed that they don't need a full log of hour by hour.

Item# 12 Discussion: Documents signed on behalf of the Board of Trustees

Robert explained that there are only four documents that he signs with the statement, "on behalf of the Board of Trustees." Three of them could just as easily be signed as the Manager without that statement. Resolutions are the only documents that currently require the Chairman, the Manager and the Secretary to sign on behalf of the Board of Trustees.

Item# 14 Discussion: Bylaws work

It was decided to do a google document that everyone can access and work on from home. Bob and Richard are going to bring a draft to the next meeting of bylaws. Larry makes a motion to appoint Bob and Richard to be the subcommittee to put together a draft of the bylaws for the board to review. Lynn seconded the motion. Motion passed, unanimous.

Item# 15 Discussion: Monthly Auditor's Report

Larry wanted the board to all agree with him doing the audit report and everything he is looking at to bring to the board each month. He then explained that this month the money is intact and that were earning significant interest on the money in the PTIF accounts.

Item# 16 Discussion: New Business

Gary would like a discussion/decision to review administrative procedures as they pertain to the board on these topics:

- A discussion/decision to review fee schedules
- A discussion/decision on warranty requirements
- A discussion/decision on bylaws

Item# 17 Discussion: Manager's Report

Everyone agreed that they can read the managers' report before coming to the meeting so we don't have to go over the sheet every month.

Zane asked Robert to get Blair paid for his service for this year and wanted to know if he can get that on the payroll.

Item# 18 Motion to Adjourn

10:40 Gary made a motion to adjourn. Larry seconded the motion. Motion passed.