

MOUNTAIN GREEN SEWER IMPROVEMENT DISTRICT
5455 West Old Highway Road, Mountain Green, Utah 84050
Minutes of the Board of Trustees Meeting
Wednesday, September 2, 2020 6:00 P.M.
APPROVED

Board Members Present: (Chairman) Larry Nance, Lannie Jolley, Taylor Nielsen, Nathan Hill, and William Coutts **Employees Present:** Kent Wilkerson (Manager) Heather Burger (transcriptionist) **Guests Present:** Jared Anderson(Sunrise), Vance Bostock(Wasatch Peaks), Tina Kelley

A. Call to Order: Chairman Larry Nance welcomed everyone present then called the September 2, 2020, meeting to order at 6:02 P.M.

B. Prayer: Chairman Nance

C. Approval of Agenda:Chairman Nance made a motion to approve the agenda. Member Hill seconded. All in favor.

D. Declaration of Conflicts of interest: None.

E. Approval of Minutes: Section 4, 1st line - use the word increase

Section 7, fourth line down - The person who builds must pay the impact fee. Creating a profit should be creating revenue. Section 9, 4th paragraph misspelled Colonel. Pg. 6 section 10 - manhole cover being tipped - was it rectified? Manager Wilkerson said it was. Asked if we have received any pay for the haying. Manager to follow-up. #3, second paragraph. Accepted the report - should say, should be accepted with corrections. Bob (an attendee at last meeting) his last name should be added to the report -Wheaton. Chairman Nance noted corrections that needed to be made in the external auditor's report also.

Chairman Nance made a motion to approve the minutes with corrections. Member Jolley seconded. Motion carries.

F. Public Comment: Chairman Nance noted that public comment would be limited to 3 minutes per individual with the option to extend this time as permitted by the Board.

Mr. Dwayne Johnson sent in an email complaining about the smell coming off the plant. Manager Wilkerson will follow-up on this issue.

Agenda Items

1)Public Hearing _Capitol Facilities

Chairman Nance made a motion to go into a public hearing. Member Hill seconded the motion. All in favor. Motion carries.

No public comment was made at this time.

Chairman Nance made a motion to go out of public comment. Member Hill seconded. All in favor. Motion Carries.

Chairman Nance made a motion to go back into the Board meeting. Member Hill Seconded. All in favor. Motion carries.

Chairman Nance made a motion to approve the capital facilities plan and impact fee increase as posted to the public. Member Hill seconded the motion. All in favor. Motion carries.

Member Hill made a motion to approve the ordinance 2020-2 as written. Chairman Nance seconded. There was a roll call vote. All present voted unanimously in favor. Motion carries.

2)Rate Increase _ Approval of Ordinance 2020-3

Chairman Nance made a motion to go into public comment for the rate increase as posted to the public. Member Hill seconded. All in favor. Motion passes.

Chairman Nance made a motion to exit public comment on the monthly rate increase. Member Hill seconded. All in favor. Motion passes.

Chairman Nance made a motion to go back to the board meeting. Member Jolley seconded. All in favor. Motion passes.

Chairman Nance made a motion to approve the ordinance 2020-3 for the rate increase from \$44 to \$50 per month. Member Hill seconded. There was a roll call vote. All in attendance voted in favor. Member Gray was not present to vote in the above motions.

3) Board Vacancy

Lynn Peterson who had indicated that he was interested in filling the vacancy did not attend the meeting in August or September. The members of the committee agreed that his lack of appearance at the meeting precluded him from being considered for the position.

Member Jolley recommended, and expressed confidence in, Mr. William (Bill) Coutts who was presented at the August board meeting as his replacement on the board. Member Jolley expressed gratitude for the honor of serving on the board and Chairman Nance thanked him for his years of service.

Member Jolley made a motion to accept Mr. Coutts as a board member for the Mountain Green Sewer Improvement District. The motion was seconded by Chairman Nance. Mr. Coutts was pleased to accept the position. All in favor. Motion carries.

Mr. Coutts took the Oath of Office as administered by Chairman Nance.

Member Coutts agreed to assume member Jolley's responsibilities on the capitol facilities and employment committees.

Manager Wilkerson and Chairman Nance delayed a possible discussion on board terms for the October Meeting.

4) Rosehill Annexation Update

Flyers were sent out to the members of Rosehill about the possibility of annexing into the district. The flyer has been sent with a request for information about each household related to the annexation. Depending on the response received from the public, member Gray and Manager Wilkerson are prepared to canvas the neighborhood and collect more feedback.

There are 3 possible rogue connections suspected in the Rosehill subdivision. These are being investigated by Manager Wilkerson. Smoke testing is the 1st step. 1 rogue connection possibly receiving service for the last 20 years. Manager Wilkerson noted that if he finds in his investigation that back payments need to be levied, he will be turning that decision over to the board.

Member Nielsen asked what type of road restoration is planned. He explained that this is important information to consider because simple road maintenance is not beneficial to the possible group annexation whereas a full restoration is beneficial. Manager Wilkerson to follow-up with the county to get specific information about the nature of the scheduled maintenance.

Chairman Nance noted that the tax rate in the flyer sent to Rosehill residents is incorrect.

Member Coutts suggested the possibility of financial assistance for Rosehill residents through the state. He was going to speak with member Gray and report back with further information.

5) Legal Representation

After investigation by Manager Wilkerson, and discussion amongst the members of the board, Chairman Nance made a motion to retain Mark Stratford for legal representation. Member Coutts seconded. All in favor. Motion passes.

Chairman Nance made a motion that the Chairman of the board is authorized to talk to the attorney and/or his designee, and that the Chairman shall be copied into all communication that goes between the attorney and the Manager. It was noted that if communication happens by phone call, then a summary note may be sent by the Manager to the Chairman. Member Hill seconded. All in favor. Motion passes.

6) Wasatch Peaks update

Chairman Nance had some points of discussion as follows:

Page 2 discusses the 2 year period of warranty obligation held by Wasatch Peaks. Chairman Nance asked when the 2 year period begins. Manager Wilkerson clarified that once the improvement is complete and accepted by MGSID, then the 2 years start.

Chairman Nance noted that sections 1.13 and 1.14 were additions to the previous agreement. Based on what is written in those sections, Chairman Nance asked whether it was WPR's intent to set themselves up as an out of district service, and what is the reason for the additions if that was not their intent.

Mr. Bostock said that these sections address what has been discussed previously about how WPR is making provisions to work with Morgan County for water and non-sewer related services. Mr. Bostock said there is "comfort and security" in negotiating per an Inter Government Agreement rather than as a developer. They are exploring the opportunity of creating a local district for the purpose of entering into an agreement with MGSID, not for the purpose of competing. The Wasatch Peaks local district will provide services such as water, road maintenance, landslide mitigation etc.

Page 4, item 2.9 was changed. "MGSID." After that should be deleted.

Pg. 5, item 3.3 - the last sentence provides for a cancellation clause. "without cause" Chairman Nance asked why that language is required. Mr. Bostock said he was ok with the change to "with cause".

Member Coutts asked about how "the amenities" on page 1 are defined. Mr. Bostock said that the amenities were defined in the application with Morgan County for the Resort Special District, and Manager Wilkerson noted that any changes to that application would be subject to approval by MGSID.

Member Coutts asked whether MGSID's 'performance' as referenced in the agreement is dependent on getting the loans on time for the capital facilities improvements. Manager Wilkerson said that MGSID's current capacity would serve the initial years of building for the Wasatch Peaks development.

Chairman Nance made a motion to approve the agreement with Wasatch Peaks, subject to review by Mark Stratford, but not with any additions from any outside source, only those from Mark. Member Nielsen seconded the motion. Member Hill asked whether the motion allows for Wasatch Peaks to see the comments made by Mark Statford. Member Nielsen said they would be able to review it because they have to sign it.

All in favor. Motion carries.

7) Agenda Process

There was a disagreement between the manager and the chair concerning the agenda process for the monthly board meetings. Both parties presented their concerns to the board for consideration, followed by some discussion and input from the board. The outcomes of that discussion are as follows:

Delete item 6 and 7 from the agenda process as presented by Manager Wilkerson, and accepted by the board in the May 2020 meeting. Write in a new item 6 to say, "refer to the by-laws."

Member Hill said there should be a review of the by-laws. Chairman Nance and Manager Wilkerson agreed. Referring to item 1, Member Hill also questioned whether "citizens" should be allowed to add items to the agenda. Manager Hill noted that the board should be dealt with differently than the public. It was decided that this item will be considered with the by-laws review. Chairman Nance approved member Coutts' request to conduct a review of the by-laws for the Board of Trustees.

8) Review Reports

Auditor: Accounts are not increasing as they have been historically because of the payments going out to Sunrise. Impact fees are still being paid back, but soon they will be paid and generating positive income.

Committee: Facilities committee - Manager Wilkerson wants to do the lift station update because it presents a fall hazard. He found a way to do it out of the current budget. Sunrise's next work order was signed, and the next phase has been initiated. Sunrise submitted the capital facilities plan and impact fee analysis to the state to have a preliminary review done. Chairman Nance asked what the next steps are if the state approves the CFP and IFA. The formal application will need to be turned in in December, and should be awarded by April 2021.

Finance: Member Hill and Manager Wilkerson to put together a mailer for public notice of the monthly rate increase. To be reviewed by the board. Monthly invoices will also note the rate increase.

Manager: Manager Wilkerson is looking into a complaint received about the smell coming off the ponds. He is reaching out to outside sources for further expertise and ideas. Chairman Nance asked Manager Wilkerson to update and send out another copy of the community development map. Implementation of standby-fees was briefly discussed relative to current will-serves.

Member Nielsen made a motion to go into a closed session for discussion of land agreements pertinent to the district at 8:42pm. Chairman Nance seconded. All in favor, motion carries.

Chairman Nance made a motion to move back into open session at 9:21pm. Member Hill seconded. All in favor, motion carries.

9) Board New Business

Resolution Modified or changed with new capital facilities plan

Committee to review and update the by-laws - meeting times, stipend for board members etc.

Manager report back on illegal connections and Rosehill

Board terms and elections

Member Nielsen to report back on his discussions with Johnson and Gardner

Member Hill and Manager Wilkerson to work on the letter for the neighborhood

Member Coutts to complete board member training prior to the end of 2020

Other board members to update their training

10) Motion to Adjourn

Chairman Nance motioned to adjourn. Member Hill seconded. All in favor. Meeting adjourned at 9:33pm.