

**MOUNTAIN GREEN SEWER IMPROVEMENT DISTRICT**  
5455 West Old Highway Road, Mountain Green, Utah 84050  
**Minutes of the Board of Trustees Meeting**  
Wednesday, October 7, 2020 6:00 P.M.  
APPROVED

**Board Members Present:** (Chairman) Larry Nance, Zane Gray, Bill Coutts, Taylor Nielsen and Nathan Hill. **Employees Present:** Kent Wilkerson (Manager) Heather Burger (transcriptionist) **Guests Present:**None

A. Call to Order: Chairman Larry Nance welcomed everyone present then called the October 7, 2020, meeting to order at 6:02 P.M.

B. Prayer: Zane Gray

C. Approval of Agenda:Member Gray made a motion to approve the agenda as posted. Member Hill seconded. All in favor. Motion passes.

D. Declaration of Conflicts of interest: None.

E. Approval of Minutes: Member Hill made a motion to approve the corrected minutes for the September 2020 Board Meeting. Seconded by Chairman Nance. All in Favor. Motion passed.

F. Public Comment: Comment made by Tina Kelly in regards to the September 2020 Meeting: "I'm against the rate increase to residences. The expansion is what is necessitating the phosphate reduction and mechanical plant. You should be raising impact fees. Growth should pay for itself. Please read for the record."

"I have joined the meeting. I'm disappointed in the vote and discussion."

"Please have my comment be part of the record."

"When you can, please acknowledge receipt of these messages."

"I hope citizens will be allowed continued participation."

## **Agenda Items**

### **1) Rosehill Annexation Update**

Manager Wilkerson explained to the board that he investigated all possible illegal connections. None of them proved to be a problem. He updated the board with feedback that he and member Gray collected from the public and explained several options for how the District could move forward with laying a sewer main line in Rosehill. The district would recoup costs by having residents pay back the District as they choose to become annexed.

Member Gray suggested that the district should get a signature from each home if they are willing to be annexed into the tax record. The District would then install the main line at its own cost, but with a plan to recoup costs from residents if/when they choose to receive services and connect to the District sewer system.

Member Nielsen asked whether the District is obligated to provide services to homeowners once they are annexed in and paying the sewer tax. Member Gray suggested that Manager Wilkerson should research that. Member Nielsen asked whether the District is prepared to take on another \$500,000 project. Member Gray suggested that it seems doable. Member Nielsen said that the Health Department may require residents to hook up to a sewer main line if the district chose to lay one. Manager Wilkerson said it is his understanding that if a home is within 300ft of a sewer main line, then the homeowner would be required to connect. Member Nielsen asked whether Manager Wilkerson had a cost-benefit analysis for running the main line. He did not have one at this time.

Chairman Nance asked whether it was likely that residents would pay \$20,000 to hook up.

Member Gray suggested that the District shouldn't move forward with any plans unless Manager Wilkerson can confirm that the state would not require residents to hook up to the main line if the District should lay one. He suggested that it might be best to allow the residents of Rosehill to come up with their own plan for annexation.

Chairman Nance recommended that the board table the idea of laying a main line for Rosehill until at least January.

Manager Wilkerson will call the health department to get details on what is required for residents if the District lays a sewer main line. Member Gray specified that he should ask the health department for a reference to their code. Once more information is gathered, member Gray will send out a letter to inform residents of the District's decision and reasoning on this matter.

Chairman Nance requested that the Manager not spend any further time on this project until the Board has further details.

Member Hill questioned if the people who received the survey knew that they would pay \$20,000 for connection to the sewer. Manager Wilkerson confirmed that they did. Member Hill asked what the \$4500 on the flyer sent to Rosehill residents was referring to. Manager Wilkerson said it would cover the annexation plat. For Individuals it would cost roughly \$1000 each for a plat. Member Hill commented that the district will be in a better financial position to lay the main line in a few years.

Chairman Nance clarified that the survey that went out to residents was not accurate in representing what people would need to pay to be annexed and hooked-up to the district.

## **2) Board by-laws Amendment / Board member Terms**

Member Coutts reviewed The Boards' by-laws and sent out a draft copy of the updated Board by-laws. He requested that members with input on the draft should send comments to him by October 21st. He will then send out a final copy by October 31st.

Chairman Nance presented 3 different options for Board member terms as follows:

1. Do nothing\_leave assignments and term-end dates as they currently stand.
2. Reassign term-end dates of 1 or 2 Board members to 2023.
3. Change election cycle to even numbered years, move current term dates forward one year for all Board members.

If the District opts to change the election cycle, board vacancies would need to be posted in June, 2022. If 4 people sign up to fill the 3 vacancies, then an election must be held. Chairman Nance is not against holding an election, but was concerned that an election would be costly for the District.

Member Hill suggested that if the Board chooses to reassign member term dates that they should only move one board member so that there are not 4 members with an end-date in 2023. He was concerned that 80% of the board could be turned over at once.

Member Coutts asked whether the term dates could be moved to 2022. Chairman Nance said they could if the Board moves the election cycle to even-numbered years through the State.

Member Nielsen asked whether changing the election cycle to sync with the County would save the District money in terms of what it would cost to advertise, print ballots and hold the election. Chairman Nance thought it would.

After some discussion, member Gray made a suggestion to move to the same voting cycle as the county. Other members of the board agreed.

Chairman Nance suggested the Board move member Nielsen to 2024, and keep member Hill and member Coutts to 2022. There were no objections from the board.

Member Hill made a motion to move the election cycle to the even years, to move term dates of members Hill and Coutts to 2022, and members Nielsen, Nance and Gray to 2024. Chairman Nance seconded. All in favor. Motion passes.

### **3) Web-site Updates**

Chairman Nance has suggested several things to be done to the current MGSID web-site. He asked the board for their feedback on the list he sent out. After some discussion, it was decided that the statement, "Improving property values since 1990", should be removed from the web-site.

Member Hill suggested that one of the two landscape pictures should be removed. Manager Wilkerson is working on this. Minutes will also be updated. Approved minutes from the prior months' meeting need to be updated on the web-site 3 days post the monthly board meeting. Member Hill suggested that the information about the District should be updated and unified.

Chairman Nance asked why there are 2 different numbers for Manager Wilkerson. One is office, one is emergency contact.

Member Coutts asked whether Manager Wilkerson was the one updating the web-site. He suggested that the Manager should hand that responsibility to the IT guy.

Manager Wilkerson to give feedback and present drafts. He is also planning to enable credit-card payments through the web-site.

#### **4) Replacement of Old Expansion Resolution.**

Member Nielsen recommended the Board's adoption of the Capital Facilities Plan in lieu of the old expansion resolution. He recommended that the old resolution be moved to an administrative policy. Member Coutts agreed.

Member Nielsen motioned to remove resolution 080110-1 in regards to expansion, and adopt the Capital Facilities Plan in its place. Chairman Nance seconded. Member Gray opposed. He is in favor of leaving the resolution as it is, stating that the Capital Facilities Plan suggests expansion at a more rapid pace than necessary for the District. Other 4 members voted in the affirmative. Motion passes.

#### **5) Budget 2021**

Manager Wilkerson presented a tentative budget for 2021, and discussed how the current budget is wrapping up.

Manager Wilkerson asked for approval to buy one more pump for a lift station at \$8,000, and for an old generator to be moved at a cost of about \$3,000.

Finance committee to go through the budget.

Chairman Nance made a motion for Manager Wilkerson to purchase the pump and relocate the old generator. Member Coutts seconded. 4 members voted in favor and member Gray voted to oppose. Motion passes.

Member Nielsen made a suggestion to review the discussion about the District's truck. Member Gray opposed the discussion and was in favor of keeping the truck. Member Hill agreed. After some discussion, Member Coutts and member Nielsen suggested that the discussion of the truck be put off for a year. Chairman Nance suggested that Manager Wilkerson prepare for the October 2021 Board meeting with accurate numbers on the truck.

Member Gray brought to the attention of the Board some expenses on the tentative budget that were concerning to him as follows:

- Supplies, Repairs and Spares - budgeted at \$6,000/projected to spend \$15,000 by end of year
- Grounds, Maintenance and Landscaping -This year spent \$3500/ budgeted for next year at \$20,000. Manager Wilkerson corrected; amount was due to the projected purchase of a side-by-side, but has now been reduced to \$3500 since that purchase was tabled with the truck discussion until 2021.
- Salary, Bonus, Insurance, Benefits and Tax - budgeted about \$50,000 more than what was spent this year.

Chairman Nance asked Manager Wilkerson to send out the Employee expense report to all members of the Board. Member Gray specifically questioned whether Ed's employment needed to continue through the winter. Manager Wilkerson stated that Ed's employment takes the place of Dennis. Member Gray said the expense for employees has inflated since 2019, and needs to be looked at closely.

Chairman Nance suggested that the finance committee work with Manager Wilkerson on the monthly budget update. The goal is to present accurate numbers and resolve formatting issues. Other Board members appreciated this suggestion.

## **6) Executive Session \_ Right-of-Way**

Member Nielsen made a motion to go into an executive session. Chairman Nance seconded. All in favor. Motion passed.

Member Hill made a motion to go back into a public meeting. Member Coutts seconded. All in favor. Motion passed.

## **7) Reports**

Auditor: Quick update by member Hill. No Discussion.

Expansion: This committee is working on the plant layout and design with Sunrise. Member Nielsen gave a brief update on this work. Chairman Nance asked member Nielsen how much and in what way Manager Wilkerson will need to be involved with Sunrise for the remainder of the year. He confirmed that Manager Wilkerson will need to be involved with discussions, but not design work. Manager Wilkerson will be responsive to any questions or information that Sunrise might need.

Finance: Preparing to review next years' budget.

Personnel- Member Gray questioned whether Eddie's employment through the winter was necessary. He asked whether Manager Wilkerson is able to maintain the agreed 40 hours per week. Manager Wilkerson said that he documents his hours, averaging about 45hrs per week. Personnel committee to do a routine review of the Manager's performance. Other Board members should provide input/concerns to members Gray and Coutts for review.

Manager's Report- Chairman Nance liked the graphs in the Board packet, but asked that the P&L still be given as well. Chairman Nance asked Kent to break down the Service Capacity report into 3 headings. Should show Current month and YTD. Member Hill asked that there be a section to show how many new ERUs there are this year that are not prepaid. Member Hill asked for clarification of the "Basin letter of intent". Manager clarified that "Basin" refers to a development by CW Land.

Chairman Nance asked for clarification on Manager Wilkerson's note on "BioCleaner". Manager Wilkerson explained that it is possible to clean the phosphorus from the plant. Chairman Nance suggested that the Chlorine system should be fixed so that it does not continue to be a problem. Manager Wilkerson is trying to find a sustainable solution without having to spend a lot of money because the Chlorine system will be replaced with the planned plant expansion.

Member Hill asked whether there was a problem with the attorney. Manager Wilkerson noted that he took 3 weeks to provide the review. Member Hill said it should be taken as a data point and wait to see whether it becomes a trend.

#### **8) Board New Business**

None Discussed

9) **Motion to Adjourn** by member Nielsen. Seconded by Chairman Nance. All voted in favor. Meeting adjourned at 8:51PM.