

**MOUNTAIN GREEN SEWER IMPROVEMENT DISTRICT**  
5455 West Old Highway Road, Mountain Green, Utah 84050  
**Minutes of the Board of Trustees Meeting**  
Wednesday, January 6, 2021 6:00 P.M.  
APPROVED

**Board Members Present:** (Chairman) Larry Nance, Zane Gray, Bill Coutts, Nathan Hill, and Taylor Nielsen **Employees Present:** Kent Wilkerson (Manager) Heather Burger (transcriptionist) **Guests Present:** Allen Martindale

**A. Call to Order:** Chairman Larry Nance welcomed everyone present then called the January 6, 2021, meeting to order at 6:07 P.M.

**B. Prayer:** Zane Gray

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

**D. Declaration of Conflicts of interest:** None.

**E. Approval of Minutes:** Member Coutts made a motion to approve the minutes with corrections. Chairman Nance seconded. All in favor. Motion passes.

**F. Public Comment:** None

## **Agenda Items**

### **1) 2021 Board Meeting Dates**

The Manager noted that agenda packets will likely be distributed early in July owing to the holiday on the 4th.

Member Gray noted that he will be out of town August 4th, but could likely attend via Zoom.

Member Gray made a motion to approve the scheduled meeting dates for 2021 as posted. Member Hill seconded. All in favor. Motion passed.

### **2) Rosehill Annexation Requests**

Mr. Martindale was present at the Board meeting to petition the Board for annexation. Manager Wilkerson requested that the Board amend the prior motion of annexation approved for Dale Chatterton to include Mr. Martindale and possibly others who had expressed interest but were not present at the meeting.

Member Coutts reiterated the Board's previous decision to have each annexation approved on an individual basis. Member Gray said that the onus would be on Mr. Martindale to organize and possibly share any costs with other interested neighbors, but that the District would approve each on a case by case basis and not be involved in organizing the sharing of costs.

Mr. Martindale then addressed the Board and acknowledged that he had been made aware of the fees charged by the district, and that he was aware of his sole responsibility to pay for, schedule, and oversee the annexation process and labor required for connecting to the District.

Member Coutts made a motion that the Martindales were approved for annexation and connection to the district according to the terms discussed. Chairman Nance approved the motion. All voted in favor. Motion passed.

### **3) District Service Obligations Database**

The Manager updated the Board on the research he has been doing on all the properties that have been issued Will Serves through the history of the district. He has put together a comprehensive database, and has followed up on any suspected delinquent or otherwise unresolved accounts. This process is not complete, but is well underway. The Manager concluded that his findings show that the District is billing fewer homes than was estimated in the 2021 budget, but that new builds should cover the shortfall. There are still some accounts that he is reviewing, but he expects to be able to have a complete report by the February meeting.

Member Coutts and Chairman Nance both questioned how the ERUs are calculated. Chairman Nance suggested that if there is a paid impact fee then that should be calculated as an ERU. There was some discussion about how ERUs are calculated. Chairman Nance asked Manager Wilkerson to present concrete data about how many ERUs the District is serving by the February Board meeting.

### **4) Fee Adjustment Request \_ Ted Taylor**

Prior to the meeting, Mr. Taylor came forward to explain that he has an apartment in his garage which has been used as a rental property for the last two years. It was previously not billed by the District because it was considered an ancillary to the main property. The matter has been brought before the board because he is seeking an adjustment to the back-payments that he owes the district since the use of the property has changed.

Chairman Nance was concerned about making a decision in this regard since it sets a precedent for how to handle other delinquent/unresolved properties such as are being researched by Manager Wilkerson presently. He felt that the Board should hold off on making a decision until it is known how many other properties may fall under the same circumstance. Member Hill also had some concerns, but felt that each property might be considered on a case-by-case basis since there aren't that many of them.

Member Coutts asked whether the property has been used as a rental. The Manager clarified that it has. Member Coutts felt that Mr. Taylor should pay the full amount owed from the last two years, citing that it has been used as a rental property and that Mr. Taylor has been collecting rent payments. Member Nielsen agreed.

Member Hill asked whether it was possible to pull water bills to see whether the rental property is using roughly the same amount of water as it was before, when it was used as a business. He asked the manager whether the district would charge for a full ERU for a similar property elsewhere, and the Manager confirmed that even for the smallest properties the minimum charge is 1 ERU. Member Hill then said that he agreed with the other members that Mr. Taylor should be charged the full amount.

Member Coutts made a motion that the District accept the full amount of back-payment owed by the home-owner and not allow for any reduction in payments in the future. Member Hill seconded. All voted in favor. Motion passed.

### **5) Standby Fee Ordinance Draft**

Member Coutts reminded the Board that the words “standby fee” need to be inserted in part 1 of the ordinance. He then summarized the stand by fee process as follows:

When someone comes in to apply and pay for a Will Serve they would also pay a standby fee. The Standby fee ensures that the district is prepared to provide 1 ERU for that Will Serve agreement for 1 year. If the applicant doesn't build a house within 1 year of applying for the Will Serve then they would need to pay another standby fee for the subsequent year. If the applicant chooses not to pay their standby fee at that point then their ERU is no longer reserved for them. In future, if they want to reserve an ERU then they would need to apply for a Will Serve again.

Member Hill pointed out that the word perpetual should be removed in Paragraph 2.01.4.

Manager Wilkerson to post notification for a public hearing on the ordinance for the February meeting.

### **6) 2021 Board Chair/Vice Chair Election**

Chairman Nance began by saying that he has enjoyed serving as Chair and would be happy to continue serving. Member Hill stated that he is happy to continue serving as Vice Chair. He further explained that after some shuffling of the Board over the last year, he was pleased with the current Board and felt that all members were working well together. He felt it would serve the Board well to keep things as they are and maybe consider changes a year from now.

Member Hill made a motion to keep Larry Nance as Chair for 2021 and Member Nathan Hill as Vice Chair. Member Coutts seconded the motion. All in favor. Motion passed.

### **7) Land Agreement - Val Poll**

Member Nielsen made a motion to move into a closed session to discuss real estate items pertinent to the district. Chairman Nance seconded. Member Hill asked whether Val Poll had comments before going to closed session. Member Nielsen explained that Val Poll was in attendance to follow-up with any motions made after the closed session. All in favor of the motion. Motion passed.

Member Nielsen made a motion to go back into a public meeting. Member Coutts seconded. All in favor. Motion passed. Chairman Nance noted that no decisions were made in the closed session.

Member Nielsen explained that Val Poll and the Board are looking to do an exchange of easements. Mr Poll needs to run an easement for water through either the north or south side of the District's property and the District would like to put a sewer lift station and some other sewer infrastructure onto Mr. Poll's property. The expansion committee and Mr. Poll were looking for approval from the Board to move forward with this agreement. Mr. Poll has a time constraint and was looking to move forward with expediency.

Member Nielsen made a motion to approve an easement potentially on the north or south side of the District's property in exchange for an easement on Mr. Poll's property for a sewer lift station. The details of this agreement will be presented in a memorandum of understanding produced by the expansion committee and approved by the Chair. Member Gray seconded. All in favor. Motion Passed.

## **8) Reports**

Auditor: Sunrise did not submit their November Bill which makes the income for December look bigger than it really was. Status reports due to the State are all complete for 2020. All of those will roll over for 2021. Chairman Nance asked Manager Wilkerson to follow up with the State about the status of his reports. He had checked the State's website and it was only showing that the budget is complete. He expressed concern about the amount of money in the 1st Bank account rather than the PTIF account. He asked the Manager to be diligent about keeping the money in the interest bearing accounts. He said that they could have the Bank change the District's accounts back to a 'no fee, no minimum balance' account so that Manager Wilkerson would not have to worry about keeping a specific amount of money in the 1st Bank account.

Finance Committee: Member Gray asked for clarification about how the Budget vs. Actual report is noted. Chairman Nance asked the Board how they want the budget report to be presented each month. He expressed several concerns about how it is currently presented. He was hoping that it could be simplified. The Chairman offered to work with the Manager on improving this.

Personnel: Members Coutts and Gray are finishing their yearly review of the Manager's performance. There will be a closed session to discuss their feedback and possible recommendation for a bonus in the February meeting.

Manager: The Chairman asked the Manager to correct the number of ERUs and impact fees reported. He also asked for clarification on the content of Sunrise's Preliminary Engineering Report. The Chairman also asked whether Manager Wilkerson had heard back from Tina Cannon about the CIB. The Manager said that he had not. He will wait to contact her about this until after getting the results for the budget application meeting with the State. Member Coutts asked whether the Manager is confident that all the information for the application presentation will be ready for February. The Manager said that he was. Member Hill asked what does EDC stand for in the Manager's report. The Manager explained that it means Estimated Date of Completion.

### **9) Board New Business**

The Manager made the Board aware that Morgan County is updating their General Plan. He thinks it has potential to impact the CFP and that the Board should be aware of it.

Member Coutts noted that the fixed assets inventory would be presented in the February meeting.

Manager to resolve District Obligations report

### **6) Motion to Adjourn**

Motion to adjourn the meeting made by member Nielsen. Chairman Nance seconded. Meeting was adjourned.