

MOUNTAIN GREEN SEWER IMPROVEMENT DISTRICT

5455 West Old Highway Road, Mountain Green, Utah

Minutes of the Board of Trustees Meeting

7:00 P.M., Thursday, January 17, 2013

Board Members Present: Mark Devoe, Tina Kelley, Mary Jewett, Wendy Eliason and Zane Gray.
Excused: Shane Rice and Blair Larson. **Others Present:** Dennis Baldwin, Robert Volk and Annette Doyle.

Invocation: Dennis Baldwin.

Chair: Wendy Eliason welcomed those present and chaired this meeting.

Item #1: Discussion / Decision: Board Attendance Policy.

A proposal for a policy regarding board attendance was put forward to provide the basis for the release of board members who frequently miss board meetings. Mary Jewett read through the policy. After a little discussion regarding the options, all board members agreed that it was a good idea and addressed the current situation with Blair Larsen's position. The policy provides for quorum approval of excused absences and allows anyone who might be affected ample time to respond before being replaced.

Zane made a motion to accept the proposed Board Attendance Policy. Tina seconded. Motion passed.

Item #2: Discussion / Decision: Updated 2013 Budget Document.

Dennis reviewed the changes that were made to the 2013 Budget since the 2012 income and expenditure amounts are now complete. There were a couple of items on the final income that required adjustment after the last meeting due to the estimation process that was used for billings in October. This final budget for submission to the state includes capital equipment depreciation and projects a \$129k deficit for 2013. Without depreciation, the budgeted loss is coming in around \$18k to \$19k. Dennis and Robert estimate that this paper loss should be mitigated by years end through expense controls and an increase in the revenue due to increased growth. All other items on the budget looked in order and Dennis asked for approval to submit this final budget summary to the Utah State Auditor's Office.

Tina moved to permit Dennis to send in the proposed budget summary. Mark seconded. Motion passed.

Item #3: Discussion / Decision: Updating the Sewer System Impact Fee.

Dennis recommends that the District temporarily continue to use the \$3,456 Impact Fee instead of the \$5,700 Impact Fee that had been approved 2008 while new and updated estimates are collected on an MBR upgrade. Tina and Zane expressed concern in suspending the \$5,700 fee as the suspension will result in a loss of funds that will be required for the future expansion.

(continued)

The comment was made that the board knew the \$5,700 impact fee would be insufficient for the total expansion when it was voted on in 2008, plus the new fee was suspended on any existing development and has never been implemented to date. Dennis assured the board that the new study should only take a couple of weeks and we should have the new numbers by the February Board meeting which will allow a more accurate evaluation of where impact fees should be. In the meantime, there are no new developments ready for approval and the temporary hold should have no impact on incoming fees. The Board thought it best to hold any decision on this item until after Dennis and Robert complete their study.

Mark made a motion to table this item until next meeting, at which time, we have better numbers. Zane seconded. Motion passed.

Item #4: Discussion: District Operations.

Robert Volk is developing a comprehensive database that integrates information from several spreadsheets and customer data from Quickbooks using the current software so no data migration or additional costs will be involved.

December effluent results were good and well within our permit requirements. Biological oxygen demand (BOD) measured at less than 5 parts per million and TSS registered 13 ppm. The e-coli bacteria level in effluent water continues to be measured at less than one organism per 100 milliliters.

Item #5: Discussion: District Statistics (Financials as of December 31)

The Board briefly reviewed the District financials and other pertinent data, which show that the District remains in sound order as growth continues at a substantial rate.

Unscheduled Discussion:

The board discussed the public hearing at the Morgan County Courthouse on Thursday, January 24 at 6:30 PM regarding a Master Plan proposal for the Johnson property connected to the east side of the MG Sewer District Property. Of concern to the district are the proposed 533 residential units which would require most of our remaining capacity. Discussion focused on concern for development in segments of smaller sized plats with approvals tied to the concept and preliminary designs and County approval.

Item #6: Discussion / Decision: Review and approval of December 6, 2012 Minutes.

After the Board reviewed the Minutes, Mary made a motion to accept the December 6, 2012 minutes as written. Zane seconded. Motion passed.

Meeting adjourned: 8:30 P.M.

Signed: _____