

MOUNTAIN GREEN SEWER IMPROVEMENT DISTRICT

5455 West Old Highway Road, Mountain Green, Utah

Minutes of the Board of Trustees Meeting

Thursday, June 5, 2014

Board Members Present: Mark Devoe, Zane Gray, Wendy Eliason, Tina Kelley, Shane Rice & Lynn Peterson **Excused:** Blair Larsen **Employees Present:** Robert Volk, Dennis Baldwin & Annette Doyle **Guests Present:** Trevor Lindley with J-U-B Engineers.

Invocation: Tina Kelley

Chair: Mark Devoe welcomed those present and asked our guest, Trevor Lindley, to introduce himself. Mark then conducted the meeting.

Item # 1: Discussion/Decision: Repairs to sunken asphalt above sewer main in the driveway of Lois Woody.

Lois Woody, at 6400 Highland Drive, asked the District if it would repair the asphalt over the sewer main that runs up her driveway and continues on to her neighbor's property because it is an inconvenience and hazard due to water runoff freezing into the channel during winter.

Robert presented a slide presentation that showed the location of the driveway and sewer line, along with detailed photographs along the length of the driveway illustrating the channel and damage in question.

After viewing the images, several Board Members expressed the opinion that the damage to the road is due mainly to a long term lack of care and maintenance of the entire road which is the responsibility of the homeowners. It was visibly apparent where the sewer line had been excavated and covered, but the surrounding road was just as badly deteriorated which illustrated that the road had never been resurfaced or cared for in the 20+ years since the original installation.

The opinion of the Board was that the sewer main in question was installed exclusively for the service of just these two homes and that the homeowners of both properties had a responsibility for the care and maintenance of their driveway on a regular basis which would have prevented the current state of disrepair. And, although the Board sympathizes with Mrs. Woody, the responsibility for any repair to this private road is that of the homeowners and that the District should not take on a liability of this type.

Shane made a motion not to approve Mrs. Woody's request to repair the driveway, and not to assume that liability. Tina seconded the motion. Motion passed unanimously.

Item # 2: Discussion / Decision: Will Serve for two ERUs for Meadow Ridge
Skyler Gardner with Gardner Cottonwoods Creek LLC has requested Will Serves for two ERUs for the lot across from the school in Cottonwoods III.

Zane made a motion to approve issuing two Will Serves for Meadow Ridge. Lynn seconded. Motion passed unanimously.

Item # 3: Discussion: Trunk Line Status

Board Members were updated on the status of the Trunk Line. On May 29, there was a pre-construction meeting with Skyler Gardner, EK Bailey Excavation, Duane Johnson, Wayne Johnson and Robert Volk. They are hoping to break ground mid-July and commence operation by November. There are only two administrative items outstanding: A renewal of the state water/stream crossing permit – sent in May 23, and a finalization of the new Facilities Completion and Reimbursement Agreement which was approved in this meeting.

Item # 4: Discussion / Decision: The new FACILITIES COMPLETION and REIMBURSEMENT AGREEMENT for the Trunk Line Installation

The Board Members read through the new exchange/reimbursement agreement and expressed concerns with the accuracy of the costs, caps on the costs, questions on why multiple bids weren't requested, the terms of the certificates and the final payment at the end of the two year period.

Robert answered most of the questions and then asked the Board to remember that the plans for the trunk line, as well as the cost estimates and the original reimbursement agreement with the Gardners were all created and approved back in 2008. This new agreement has been created to refine the exchange and payment procedures, accommodate the new impact fees and set new deadlines. The trunk line installation has always been an exclusive arrangement between Gardner Development and the District without competitive bids being sent out. As a note, the cost of the trunk line in the new agreement is less than the estimates from 2008. The emphasis now is to complete this project and get it in operation before this winter as the 10" line carrying all of the sewage flow from the east side of Mountain Green is over the calculated limits and could potentially result in overflows and/or fines from the state.

Robert then used the speaker phone to contact Jon Call, our Attorney, so the Board to ask him directly about any legal questions they had with the agreement.

Mark Devoe started by asking if the language of the new agreement could be changed to cap the costs, and Tina requested the addition of a requirement to surrender the existing certificates before the new certificates are issued in the event of an ownership change. Jon said that both alterations would be possible so Robert said he would make the appropriate notes and send the requested changes over to Jon immediately following the meeting.

Zane then made a motion to accept the Facilities Completion and Reimbursement Agreement for the Trunk Line Installation with two noted alterations. The first alteration is the addition of a 'not to exceed the \$919,375.75 as the total cost of the project, and the second alteration is the addition of the 'surrender of existing certificates' in the event of transfer of development ownership. Lynn seconded the motion. The motion passed unanimously.

Item # 5: Discussion / Decision: Should MGSID provide a written comment on the proposed rule for technology based Limits for Controlling Nutrient Pollution?

The state of Utah has opened a public comment period to allow anyone concerned with the proposed limits on phosphorus in effluent discharges into public waterways. Board discussion emphasized how the state should be made aware of the financial burden that this ruling places on communities such as Mountain Green, and we would like to know what kind of financial assistance will be made available in order to bring our facility into compliance.

Tina made a motion to direct Robert to respond to this proposed ruling with the concerns expressed here and include a summary of how it would affect the District. Zane seconded. Motion passed unanimously.

Item # 6: Discussion: District Operations ~ May 2014

Janet made a transfer of \$25,000 from the Main Checking Account into the PTIF2048 Excess Funds Account in May and another transfer will be done in July. Effluent discharges continue to register well under state limitations.

Item # 7: Discussion: District Statistics as of May 31, 2014

Board members reviewed the statistics on Impact Fees, ERU status, connections and bank statements.

Item # 8: Discussion / Decision: Review and approval of April 3, 2014, May 1, 2014 and May 8, 2014 Minutes

Tina made a motion to accept the Minutes from April 3, 2014, May 1, 2014 and May 8, 2014 as written and presented in this meeting. Wendy seconded. Motion passed unanimously.

Item # 9: Discussion: The next meeting is schedules for the first Thursday, July 3, 2014 at 7:00 PM

Board Members decided that July 17, 2014 should be the next scheduled meeting due to the Fourth of July holiday. Lynn said he would be available by phone if needed.

Adjourned: 9:10 PM

The attending Board Members agreed to adjourn

Signed: _____