

**MOUNTAIN GREEN SEWER IMPROVEMENT DISTRICT**  
**5455 West Old Highway Road**  
**Board Minutes for the Board of Trustees Meeting**  
**August 5, 2015, 7:00 p.m.**

**Board Members Present: Mark Devoe, Tina Kelley, Zane Gray. (Blair Larsen was contacted to vote on Item's 2 and 5. Board Members not present: Wendy Eliason, Lynn Peterson, Shane Rice and Blair Larsen. Employees present: Robert Volk. Guests present: None**

**Invocation: Zane Gray**

**Welcome: Mark Devoe officially opened this meeting and contacted Blair Larsen by phone. Blair stayed on speaker phone while discussion was held and the votes were taken for Item's # 2, and Item # 5, after which the remainder of the Agenda Items were read.**

**Item # 2. Discussion/ Decision: Assign a Board Member for Financial Oversight**

**Mark reviewed information on this item. The 2014 Financial Report reported a material weakness of Internal Control over Financial Reporting.**

**Cody Cardon, our auditor made the recommendation to assign a board member to review all bank statements and financial status each month and then provides written verification of such at every Board Meeting. Due to the additional responsibility and time involved, this position warrants an additional stipend.**

**Robert suggested that for simplicity and accuracy this financial review should be performed just prior (about one hour) before our regularly scheduled Board Meeting. Robert has modified the checklist provided by Wood Richards to fit our needs and simplify the monthly process. Zane asked if it would be possible to do the review at another time other than just before the meeting. Robert let him know that any other time during regular business hours would work, as long as the day selected is consistent from month to month. Continually altering the days and time of month would give incomplete information if the time between reviews is one week and another seven weeks because statements always come out the first week of every month. After further discussion Tina made a motion to assign the Co-Chairman of the Board of Trustees of the Mountain Green Sewer Improvement District board as the Financial Overseer and compensate him with an additional \$50 for each review that is completed. Blair seconded the motion. Motion passed.**

**Item # 5. Discussion/ Decision: Resolution 150805 Procurement and Purchasing Policy**

**Mark Devoe reviewed the requirement for the District to have a written and up to date Procurement and Purchasing Policy while Blair Larsen was still on the telephone line so he could participate in the vote. Mark reviewed the template provided by the Utah Association of Special Districts that has been modified to meet the needs of the MGSID.**

The Board asked for some clarification on different approval levels for different types of purchasing and then discussed the need to allow the Manager, as the District's Purchasing Agent, the discretion to make any purchasing decisions up to \$2,000 without Board approval. Robert explained that \$2,000 is the same level set by the state for purchases without multiple quotes and/or bidding. In day to day operations for a District of this size, a \$2,000 expenditure is a very low limit. An order of Chlorine gas is now over \$1,200. A repair order or weed spraying order can easily hit \$ 1,500 and a repair on the truck last year ran \$1,400. Requiring the manager to wait for Board meeting to put in requests for such expenditures is not practical with current costs and a \$2,000 limit protects the District but still allows the Manager to run the business. Blair added that the District hired a Manager to make decisions like this and the Board should trust that he is doing so in the District's best interest. The new Financial Oversight position to review the bank statements would bring to light any abuse in expenditures. A couple of the other Board Members agreed. Zane made a motion to approve Resolution 150805 to instate the Procurement and Purchasing Policy and Procedures dated August 5, 2015 plus adding "& Contracts" Blair seconded the motion. All voted in the affirmative. Motion passed.

**Item #1. Discussion: Annexations**

Board members read the remaining agenda discussion items. The annexation process for Karl Reeder and Susan Potter is complete. Robert indicated he mailed the documents to the Lieutenant Governor's office which then sent back the certificates of annexation.

Karl Reeder will be coming in to pay the remaining Impact and Inspection Fees. He has also inquired if he would be able to make monthly payments to the District for the remaining \$1830. for reimbursement to the Sewer District for the installation of the sewer line stub connections on Lilac Lane.

**Item # 3. Discussion: GRAMA Training**

Janet is registered for a Record's Officer Class on August 6, 2015 to provide training for taking the required annual test for the Mountain Green Sewer Improvement District's Record's Officer. This is an annual requirement that requires the Record's Officer to take the class every year.

**Item # 4. Discussion: Board Member Training Scheduled for Wednesday, September 16 @ 7:00 p.m.**

All Board Members are required to complete the Open and Public Meeting Training EVERY year. We need one for 2015 as well as one for 2016.

New Board Members are required to complete a special and local service district board member training within one year of taking office.

**In order to meet these stipulations, LeGrand Bitter will provide a class here at our District office, on September 16, 2015 at 7:00 p.m. for a cost of \$225.00**

**It is important for ALL Board Members to attend this class or provide written proof prior to the class date that they have fulfilled both of these conditions. If even one Board Member goes unqualified, the District will receive another negative mark in next year's audit.**

**Item # 6. Discussion: 2015 System Cleaning and Video.**

**The system cleaning and video for 2015 was put out to bid in May of 2015, with a closing date of June 30, 2015. The District received three respondents.**

**Pro Pipe won the bid at 78 cents per linear foot. Pro Pipe has verified their availability and said they will also have the appropriate traffic control manpower on hand. They have sent over copies of their liability and Worker's Compensation policies showing the District as a named insured.**

**This work is scheduled to start on September 3, 2015. They will clean the lines that run the length of Old Highway, Trapper's Loop, Trapper's Pointe and Rollins ranch. We are required to clean the full system every three years, so we divide this up into one third of the system each year.**

**We have budgeted \$40,000. Per year for this cleaning with around 38,000 to 43,000 linear feet scheduled for this year at an estimated \$33,000 to \$35,000 total. Robert is in the process of obtaining the required bond and permit that are necessary to perform work on state highways. We have a franchise agreement with Morgan County that alleviates this requirement for county roads.**

**Item # 7. Discussion: Permit Renewal**

**The District's UPDES operating permit renewal arrived on July 22, 2015 and was backdated as effective on July 1, 2015 because our prior permit expired on June 30, 2015. The delay was due entirely to the backlog of work and the administrative notice requirements that the state must adhere to. The plant was inspected in the spring and passed without any corrective recommendations. This new permit will expire June 30, 2020.**

**Item # 8. Discussion: Trunk Line Road Installation**

**The Trunk line road should be complete or almost complete by the time of this meeting. The installation of the road was as difficult as the installation of the new sewer line due to the last minute changes, irrigation problems and negotiation between the landowner, the developer and the contractor.**

**Item # 9. Discussion: District Statistics as of July 31, 2015**

**Janet filed the Money Market Management Report in mid-July. The second quarter Transparency Report was also filed on time.  
Comparison of the number of Impact Fees received to date was reviewed.**

**Item # 10. Discussion/Decision: Review and approval of July 15, 2015 Minutes.**

**This item has been moved to our next board meeting as there was not a quorum to approve the minutes.**

**Our next regularly scheduled Board meeting will be on the third Wednesday, September 2, at 7:00 p.m.**

**Adjourn:**

**Signed: \_\_\_\_\_**