

MOUNTAIN GREEN SEWER IMPROVEMENT DISTRICT

5455 West Old Highway Road, Mountain Green, Utah 84050

Minutes of the Board of Trustees Meeting

Wednesday, June 6, 2018

BOARD OF TRUSTEES MEETING AT 7:00 PM

Board Members Present: Larry Nance, Gary Ross, Wendy Eliason, Bob Woodcock and Richard Kempton. **Excused:** Lynn Peterson, Zane Gray

Employees Present: Robert Volk, Janet Boudrero. **Excused:** Sadie Barlow

Guests Present: Kent Wilkerson, Tina Kelley, Mark Nelson and Clint Wasuita.

A. Call to Order: 7:00 PM. Larry Nance was asked to Chair for Zane Gray for the meeting this evening. Larry brought the meeting to a start Gary proposed moving item #3 ahead of item #1. Gary made a motion to move #3 ahead of #1 on the Agenda. Larry and all voted to approve.

B. Prayer: Richard Kempton

C. Approval of Agenda: Larry asked if there were any requested changes to the Agenda and none were mentioned. Larry motioned to approve the Agenda and Gary seconded. All voted affirmative. Motion passed.

D. Declaration of Conflicts of Interest: None

E. Approval of Minutes – May 2, 2018. All voted to approve the Minutes.

F. Next Board Meeting is scheduled for July 18, 2018 at 6:30 PM. The meeting was moved to the 3rd Wednesday due to the Holiday on the first Wednesday.

G. Public Comment Period. None.

AGENDA ITEMS

Item #1: Discussion/Decision: Spring Mountain Ranch

Kent Wilkerson and Mark Nelson presented to the Board their future development Spring Mountain Ranch. The Board thanked them and noted more developers should present their plans this way.

Item #2: Discussion/Decision: Will Serve for lot subdivide

The Board approved a will serve letter for the Sieberts. Robert will go out and inspect when they are ready. Gary made a motion that the Board approves issuing a will serve letter for one ERU to the Sieberts on Creekside Drive. Richard seconded. All voted affirmative. Motion passed.

Item#3: Discussion/Decision: Mike Wasuita.

Clint Wasuita came to the meeting. The Manager typed up a letter for the Wasuita family stating that it would not be practicable for them to connect to the sewer line. Gary made a motion that the Board approves issuing the letter that the Manager wrote dated June 7, 2018. Bob seconded. All voted affirmative. Motion passed.

Item # 4 Discussion/Decision: Will Serve Request for Commercial-Trapper's Loop Village

Gary made a motion to approve issuing a will serve letter for two ERU'S for the Village at Trappers Loop with the conditions that Robert will put on the will serve. First is a one year evaluation period which will start once this building has 60% occupancy. Second, the final ERU will be determined based on the highest usage bill during that period. And last, that the final ERU count will automatically adjust to six ERUs if the developer fails to comply. Wendy Seconded. All voted affirmative. Motion passed. Robert suggested sending this to the attorney beforehand then sending to the developer.

Item # 5 Discussion/Decision: Manager Wage Step Increase.

Robert presented the Wage Step Plan that had been put in place a few years ago. It illustrated all of the employees adjustment steps and highlighted the Manager's adjustment that is scheduled for July 16, 2018. The Board agreed on sitting down in October or November and going over the all of the wages to know where everything sits. Robert suggested putting together a committee of 3 to go over human resources and preliminary budget. Bob made a motion to approve the Manager's wage to move to a step 10 on the Wage Step Plan on July 16, 2018 as originally scheduled. Richard seconded. All voted unanimous.

Item # 6 Discussion/Decision: Review of Fee Schedules

There was a discussion on Late Fees and Rental Fees. It was decided that Robert will put together a purposed fee structure for the Ordinance along with a letter to the owners. He will run it by our attorney to verify the legality and then present it at our next Board meeting in July. The Board also decided to change the current ordinance that the property owner is now responsible for all rental homes and paying bill. Gary made a motion that we postpone until we see Roberts's verbiage at the next meeting and vote on it at that time. Richard seconded. All voted unanimous.

Item# 7 Discussion/Decision: Impact Fees

There was a discussion on Impact Fees and it was decided that in the best interest of the Sewer District to wait and discuss a new Analysis on Impact Fees on the Agenda at the end of 2019.

Item # 8 Discussion/Decision: State Treasures Office PTIF Required Changes

It was decided to have at least one Board member on the account. The Auditor, Manager and Secretary will be on the account. Richard made a motion to approve the attached resolution filled in with those 3 names and title it 180606. Gary seconded. All voted affirmative. Motion passed.

Item #9 Discussion/Decision: Review of Future Rate increases

Postponed until July 18, 2018 to follow up with item #6

Item # 10 Discussion/Decision: Print and Bind Historical Documents.

Robert had the Historical Documents printed and bound. They will remain in the office for the Boards use.

Item# 11 Discussion/Decision: UASD 2018 Legislative Bill Review

We reviewed the UASD legislative Bill. It was decided to have the Manager act as the Human Resource person for now. The Board also asked Robert to try and make it to the UASD training in November in Layton Utah. It was also asked that S.B 28 Local Government and Limited Purpose Entity Registry be put on the calendar to be put on the Agenda in February of 2019 to go over before July 1, 2019.

Item# 12 Discussion/Decision: Bylaws work

Gary makes a motion to post pone item 12 for the next meeting and starting the next meeting at 6:30. Bob seconds the motion. Motion passed. The Board also agreed to start the next meeting at 6:30pm.

Item# 13 Discussion/Decision: Monthly Auditor's Report

Larry completed the audit and everything is well and the accounts are growing. PTIF account has been very beneficial and we have made money from it. Everyone thanks Robert and Janet for doing a great job.

Item# 14 Discussion/Decision: New Business

A Discussion/Decision on the meeting time and day for the meeting each month.

Item# 15 Manager's Report

The Manager's report was discussed (*See following pages*).

Item#16 Motion to Adjourn

Bob made a motion to adjourn. Gary seconded the motion. Motion passed.

MOUNTAIN GREEN SEWER IMPROVEMENT DISTRICT

5455 West Old Highway Road, Mountain Green, Utah

Manager's Report for Wednesday, June 6, 2018

District Operations ~ May 2018

1. May 1 to June 1 2018 Bank Transfers
 - a. 05/04/2018 – Main Checking to PTIF 4668 Replacement: \$14,000
 - b. 05/10/2018 – Main Checking to PTIF 4668 Replacement: \$10,000
 - c. 05/18/2018 – Main Checking to PTIF 4668 Replacement: \$10,000
 - d. 05/25/2018 – Main Checking to PTIF 4668 Replacement: \$ 6,000
 This marks \$198,000 that has been transferred from Main Checking to PTIF 4668 Replacement account since January 1,2018 = which equals \$198,000 estimated 2018 depreciation. Remaining 2018 transfers from Main Checking will be directed to the PTIF 0248 Existing Residents account.
 - e. 06/01/2018 – Main Checking to PTIF 0248 Exist Residents: \$ 5,000
 - f. 06/01/2018 – 1st Bank 3456 to PTIF 3456 Excess: \$3,456
2. On May 10, 2018 Lonnie Shull, with the Division of Water Quality, completed the annual Reconnaissance Inspection and found no deficiencies, so no recommendations or corrective actions were made. Lonnie complimented us by stating that “he enjoys coming up here because everything is so well run and it makes his job easy”.
3. Effluent continues to measure well within state requirements and removed over 89% of Biochemical Oxygen Demand (BOD) & 92% of Total Suspended Solids (TSS) in May. E-Coli bacteria registered as Non-Detectable.

District Statistics as of May 31, 2018

Comparison of the number of Impact Fees received to date

<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
16	19	30	17

ERU STATUS

<i>ERUs Billing</i>	ERUs Under Construction	ERUs Connected	ERUs Committed But Not Activated	WILL SERVES Committed
1,094	56	+ 1,108	+ 242	= 1,406

TOTAL ERUs CONNECTED LAST SIX MONTHS RUNNING

	<i>DEC 2017</i>	<i>JAN 2018</i>	<i>FEB 2018</i>	<i>MAR 2018</i>	<i>APR 2018</i>	<i>MAY 2018</i>
CONNECTED	1,082	1,090	1,091	1,095	1,106	1,108
% OF CAPACITY	60.1%	60.6%	60.6%	60.8%	61.4%	61.6%

District requirements on Upgrade: Option Study @ 70% (1,260); Design @ 80% (1,440); Build @ 90% (1,620)

MGSID BANK STATEMENTS ENDING MAY 31, 2018

OPERATIONS				
1ST BANK MAIN OPERATIONS CHECKING	PTIF 248 EXISTING RESIDENT'S PROPOSED NEW SEWER FACILITY	PTIF 4667 EMERGENCY FUNDS	PTIF 4668 REPLACEMENT (DEPRECIATION) FUNDS	OPERATIONS ACCOUNT TOTALS
\$25,098	\$493,690	\$156,047	\$824,694	\$1,499,529

EXPANSION / IMPACT FEES		
1ST BANK \$3,456 EXPANSION ACCOUNT	PTIF 8621 3456 EXCESS EXPANSION	EXPANSION ACCOUNT TOTALS
\$7,497	\$3,062	\$10,559
1ST BANK \$5,271 EXPANSION ACCOUNT	PTIF 4598 5271 EXCESS EXPANSION	
\$581	\$111,252	\$111,833

TOTAL CASH IN ALL ACCOUNTS \$1,621,921

<u>OPERATIONS INCOME & EXPENSE STATEMENT</u>				
<i>YTD ~ January 1, 2018 through May 31, 2018</i>				
		YTD ACTUAL	YTD BUDGET	ANNL BUDGET
INCOME	Monthly Service Fees	\$ 225,845	\$ 225,750	\$ 541,800
	Late Fees	\$ 375	\$ 250	\$ 600
	New Lateral Inspections	\$ 1,300	\$ 1,700	\$ 4,000
	Other Income	\$ 337	\$ 205	\$ 500
	Taxes Income	\$ 6,947	\$ 8,250	\$ 60,600
	Interest Income	\$ 11,697	\$ 6,000	\$ 15,000
	TOTAL INCOME	\$ 246,501	\$ 242,155	\$ 622,500
EXPENSE	Administration	\$ 68,662	\$ 75,797	\$ 195,000
	Operations	\$ 56,644	\$ 67,299	\$ 185,000
	Depreciation	\$ 82,500	\$ 82,500	\$ 198,000
	TOTAL EXPENSE	\$ 207,806	\$ 225,596	\$ 578,000
NET INCOME	TOTAL NET INCOME	\$ 38,695	\$ 16,559	\$ 44,500

EXPANSION/ IMPACT FEE	Impact Fee / Expansion Income	\$ 104,552	\$ 54,181	\$ 130,035
	Expansion Account Interest	\$ 438	\$ 2	\$ 3
	Expansion Expenses Developer Reimbursement	\$ 0	\$ 0	\$ 0
	NET EXPANSION INCOME	\$ (13,824)	\$ (13,824)	\$(103,680)
		\$ 91,166	\$ 40,359	\$ 26,358