

MOUNTAIN GREEN SEWER IMPROVEMENT DISTRICT
5455 West Old Highway Road, Mountain Green, Utah 84050
Minutes of the Board of Trustees Meeting
Tuesday, July 3, 2018

BOARD OF TRUSTEES MEETING AT 6:30 PM

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

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

Guests Present: Tina Cannon, John Barber and Ryan Child.

A. Call to Order: 6:35 Zane Gray welcomed everyone to the meeting.

B. Prayer: Zane Gray

C. Approval of Agenda: Larry suggested that we move item #2 to the front and do item #1 when Ryan Child showed up. Larry made the motion to move item #2 to the beginning of the agenda in front of #1. Wendy seconded the motion. All voted affirmative.

D. Declaration of Conflicts of Interest: None

E. Approval of Minutes: Larry motioned to approve the minutes. Gary seconded the motion. All voted to approve the minutes.

F. Next Board Meeting is scheduled for August 1, 2018 at 6:30 PM.

G. Public Comment Period. None from the public, but Bob Woodcock made a suggestion to consider dropping the "Discussion/Decision" statement at the beginning of each item on the Agenda and just state the Topic.

AGENDA ITEMS

Item #1: Discussion/Decision: Kent Smith Park Soccer Fields

Tina Cannon and John Barber came to discuss possibility of expanding the Kent Smith Park area to include additional soccer fields. They asked if the Board would be interested in offering a minimum fixed 10 year lease instead of the current year to year lease on the District's land, or possibly offer an exchange of our property for a equivalent amount of property to the east of the lagoons. The Board discussed this at length and had several questions, but was not favorable to the idea of a land exchange. Cannon and Barber said they would consider coming back to the Board with different ideas at a later day.

Item #2: Discussion/Decision: Presentation of the 2017 Audit results.

Ryan Child spent some time going through the audit with the Board. The District is in a good financial position with increasing reserves which might look like a substantial amount of money but could always be increased to meet the future construction needs. There were no red flags or negative notes to be made in regards to this year's audit. There were two recommendations to add reports and alter the budget submission format, and the Manager noted that both recommendations had been put in place going forward.

Item#3: Discussion/Decision: Lynn Peterson Trustee Position

Everyone welcomed Lynn back to the Board.

Item # 4 Discussion/Decision: Commercial Will-Serve / Developer's Agreement

The Manager wrote a will serve for the Gardner's first commercial office building and included all of the Board's recommendations. It was then sent to our attorney for review and forwarded to the Gardner's for acceptance and signatures. The Gardner's are reviewing it but have not returned it yet. It was decided to use this as a template for future commercial entity going forward.

Item # 5 Discussion/Decision: Fee Schedules

At the June 2018 Board Meeting the Board reviewed the fees that are currently being charged by the District along with a couple recommendations. The Board then requested the Manager to format these items into suggested Ordinance changes and Customer letters that can be used going forward and have our attorney review everything for legality. Robert presented the letters that were sent over to the attorney to be looked over and there were minor adjustments made. Gary made a motion that the Board approves the changes to the ordinance as outlined on here and the attached letter as with the highlighted changes and implement as soon as the attorney signs off. Bob seconded the motion. All voted affirmative. Motion passed.

Item # 6 Discussion/Decision: Board Meeting times

The Board requested to discuss the option of meeting at an earlier time. Larry made a motion to change the Board meeting time starting at our next meeting at 6:30. Wendy seconded the motion. All voted affirmative. Motion passed. Robert will run ads in the Morgan County News and post the notices for the public to see.

Item# 7 Discussion/Decision: Honoring previous Board member

The Board discussed a plaque in the District office with the names of past Board Members on it that would be continually updated as time goes by. In addition, an invitation to the Christmas dinner on a Board Member's exiting year. The Board asked Janet if she could check into the options and pricing for a suitable plaque. Larry made a motion to set a policy to honor past Board members by setting up a plaque at the Mountain Green Sewer

Improvement District office to list past Board Members on it as well as invite departing Board Members to the Christmas dinner on their departing year. Lynn seconded the motion. All voted affirmative. Motion passed.

Item # 8 Discussion/Decision: Bylaws Work

The Board discussed bylaws and it was decided that the Board all go home and read over the Bylaws and come back to the next meeting with anything they would like to discuss, change or ask questions on. Everyone agreed to come back prepared to discuss.

Item #9 Discussion/Decision: Monthly Auditor's Report

Everything was in order there was nothing to report back.

Item # 10 Discussion/Decision: New Business

There was request to discuss Bylaws and to have it as the first item on the agenda.

Item# 11 Discussion/Decision: Manager's Report

Robert went over the Manager's report (see following pages)

Item# 12 Motion to Adjourn

Zane made a motion to adjourn. Gary seconded the motion and all voted in favor to close the meeting.

**MOUNTAIN GREEN SEWER IMPROVEMENT DISTRICT
Manager's Report for Wednesday, July 3, 2018**

District Operations ~ June 2018

1. June 1 to June 30, 2018 Bank Transfers
 - a. 06/01/2018 – Main Checking to PTIF 0248 : \$5,000
 - b. 06/08/2018 – Main Checking to PTIF 0248 : \$5,000
 - c. 06/15/2018 – Main Checking to PTIF 0248 : \$5,000
 - d. 06/22/2018 – Main Checking to PTIF 0248 : \$5,000
 - e. 06/28/2018 – Main Checking to PTIF 0248 : \$5,000
 - f. 06/01/2018 – 1st Bank 3456 to PTIF 8621/3456: \$3,456
 - g. 06/08/2018 – 1st Bank 3456 to PTIF 8621/3456: \$1,400
 - h. 06/08/2018 – PTIF 4598/5271 to 1st Bank 5271: \$2,100
2. The 2017 annual Impact Fee Report was completed and uploaded to the state 6/20/2018. It is due each year by the end of June (180 days after year end).
3. The 2017 Financial Report and Financial Certification from the auditors, has been uploaded to the state on June 26, 2018. These were due by the end of June.
4. 2017 Audit general journal adjustments have been entered in QB.

5. The diffuser replacement project was completed mid-June 2018 and the final invoice came in for exactly what was approved in the April 4, 2018 Board Meeting at \$15,842.
6. The sewer main lines and manholes have been installed at the middle school project. The initial cleaning, video and pressure tests should be complete in July. The contractor for the school, Hogan, has done a tremendous job in communicating and working with MGSID to ensure everything meets our requirements.
7. Effluent continues to measure well within state requirements and removed over 97% of Biochemical Oxygen Demand (BOD) & 96% of Total Suspended Solids (TSS) in June. E-Coli bacteria registered as Non-Detectable.

District Statistics as of June 30, 2018

Comparison of the number of Impact Fees received to date

<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
20	23	34	22

ERU STATUS

<i>ERUs Billing</i>	ERUs Under Construction	ERUs Connected	ERUs Committed But Not Activated	WILL SERVES Committed
<i>1,094</i>	47	+ 1,116	+ 246	= 1,409

TOTAL ERUs CONNECTED LAST SIX MONTHS RUNNING

	<i>JAN 2018</i>	<i>FEB 2018</i>	<i>MAR 2018</i>	<i>APR 2018</i>	<i>MAY 2018</i>	<i>JUN 2018</i>
CONNECTED	1,090	1,091	1,095	1,106	1,108	1,116
% OF CAPACITY	60.6%	60.6%	60.8%	61.4%	61.6%	62.0%

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

MGSID BANK STATEMENTS ENDING JUNE 30, 2018

OPERATIONS				
1ST BANK MAIN OPERATIONS CHECKING	PTIF 248 EXISTING RESIDENT'S PROPOSED NEW SEWER FACILITY	PTIF 4667 EMERGENCY FUNDS	PTIF 4668 REPLACEMENT (DEPREICIATION) FUNDS	OPERATIONS ACCOUNT TOTALS
\$28,951	\$518,690*	\$156,047*	\$824,694*	\$1,528,382*

EXPANSION / IMPACT FEES		
1ST BANK \$3,456 EXPANSION ACCOUNT	PTIF 8621 3456 EXCESS EXPANSION	EXPANSION ACCOUNT TOTALS
\$2,641	\$7,918*	\$10,559*
1ST BANK \$5,271 EXPANSION ACCOUNT	PTIF 4598 5271 EXCESS EXPANSION	

\$2,671	\$109,152*	\$111,823*
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TOTAL CASH IN ALL ACCOUNTS \$1,650,764*

OPERATIONS INCOME & EXPENSE STATEMENT				
<i>YTD ~ January 1, 2018 through June 30, 2018</i>				
		YTD ACTUAL	YTD BUDGET	ANNL BUDGET
INCOME	Monthly Service Fees	\$ 271,321	\$ 270,900	\$ 541,800
	Late Fees	\$ 507	\$ 300	\$ 600
	New Lateral Inspections	\$ 1,800	\$ 2,100	\$ 4,000
	Other Income	\$ 399	\$ 246	\$ 500
	Taxes Income	\$ 7,892	\$ 9,900	\$ 60,600
	Interest Income	\$ 11,697*	\$ 7,200	\$ 15,000
		TOTAL INCOME	\$ 293,616*	\$ 290,646
EXPENSE	Administration	\$ 79,321	\$ 94,311	\$ 195,000
	Operations	\$ 75,936	\$ 93,651	\$ 185,000
	Depreciation	\$ 99,000	\$ 99,000	\$ 198,000
	TOTAL EXPENSE	\$ 254,257	\$ 286,962	\$ 578,000
NET INCOME	TOTAL NET INCOME	\$ 39,359*	\$ 3,684	\$ 44,500

EXPANSION /IMPACT FEE	Impact Fee / Expansion Income	\$ 108,008	\$ 65,018	\$ 130,035
	Expansion Account Interest	\$ 438	\$ 2	\$ 3
	Expansion Expenses	\$ 0	\$ 0	\$ 0
	Developer Reimbursement	\$ (13,824)	\$ (13,824)	\$(103,680)
		NET EXPANSION INCOME	\$ 94,622	\$ 51,196

**PTIF June Interest not posted by 7/3/2018 @ 1:30 PM – Amounts shown are without interest.*