

MOUNTAIN GREEN SEWER IMPROVEMENT DISTRICT
5455 West Old Highway Road, Mountain Green, Utah 84050
Minutes of the Board of Trustees Meeting
Wednesday, September 5, 2018
BOARD OF TRUSTEES MEETING AT 6:30 PM

Board Members Present: Zane Gray, Larry Nance, Rick Kempton, Bob Woodcock, Lynn Peterson.

Board Members Excused: Wendy Eliason, Gary Ross

Employees Present: Robert Volk, Sadie Barlow

Guests Present: **A. Call to Order:** 6:30 Zane Gray welcomed everyone to the meeting.

B. Prayer: Zane Gray

C. Approval of Agenda: Rick made a motion to approve the agenda Larry seconded the motion.

D. Declaration of Conflicts of Interest: None

E. Approval of Minutes: Larry made a motion to approve the minutes with the correction on page 2, paragraph 3 to change ear to year. Lynn seconds the motion. Motion passed. All voted affirmative.

F. Next Board Meeting is scheduled for October 3, 2018 at 6:30 PM.

G. Public Comment Period. Tina Kelley wanted to make the board aware that if you have more than 3 members that are a part of the board at a meeting it then becomes a public meeting. She was just making the board aware for their upcoming meeting that they were invited to with Rulon Gardner.

AGENDA ITEMS

Item #1: Discussion/Decision: Bylaws Work

The Board reviewed and discussed the latest version of the Bylaws that had been sent out. The Manager noted that the section under Article Four – District Manager which requires the Board to approve all reports prior to their submission is not possible. There are some reports that are filed online during a brief window that falls in between board meetings. The information loaded into these online portals comes from raw data and both the timing and raw data format preclude a presentation to the Board prior to their

input. The Board agreed to change the wording on this section to allow the Manager to present the reports to the Board after they have been input.

Larry makes a motion to approve the last version as corrected that was sent out to the board with the correction that was on page 13 removing after approval of board. Rick seconds the motion. Motion passed. All voted affirmative.

Item #2: Discussion/Decision: Will Serve

Brandon Love was requesting a Will Serve for one ERU (Equivalent Residential Unit) for the lot at 4741 Old Highway Road. Larry makes a motion to approve the will serve for Brandon Love. Bob seconds the motion. All voted affirmative,

Item#3: Discussion/Decision: Will Serve

Ryan Mellott with DRM Construction is requesting a Will Serve Letter for 68 lots = 68 ERUs for the Cottonwoods Phase 5 Development. Larry makes a motion to approve 68 ERUs for Ryan Mellott. Rick seconds the motion. Motion passed. All voted affirmative.

Item #4: Discussion/Decision: 2018 UASD Annual Convention

The UASD Annual Convention will be held on November, 7th, 8th, 9th of this year. It was discussed that all of the Board Members that can or want to attend the convention have the opportunity to go. They just need to have the form filled out and returned to Robert no later than Tuesday September 12th. Rick makes a motion that any Board Member that wants to go and can go is allowed to go count this as the board approval to attend the meeting. Larry Seconds the motion. Motion passed. All voted affirmative.

Item # 5 Discussion/Decision: Manhole repairs

Competitive bid requests were sent out for repairing and removing asphalt on six manholes. Only one bid response was sent back, which was from Leon Poulson for a maximum total of \$7,801. The District Manager, who is also the Procurement Officer, deemed that the one quote received was reasonable and met our procurement policy. Zane questioned what was happening to the manholes on Old Highway that were being covered by the current UDOT repaving. Robert noted that the manholes affected by the current UDOT work will be uncovered at the end of the repaving process and that they are not part of the repairs that the District is now commissioning. The manholes we are uncovering now were paved over between eleven and twenty years ago. They were discovered through the improved mapping and inspection processes that the Manager has initiated over the last few years. Larry makes a motion to approve item 5 for the manhole repairs. Bob seconds the motion. Motion passed. All voted affirmative.

Item # 6 Discussion/Decision: Kent Wilkerson, Engineer on call

Kent Wilkerson has been providing MGSID with valuable information regarding future developments and growth in Mountain Green. Kent's work could assist the board in future planning, but would not replace the need for specialized engineering firms to design the wastewater plant. Rick made a motion that we make Kent Wilkerson the on call engineer as needed by Robert with the rates as per item 6. Larry seconds the motion. Motion passed. All voted affirmative

Item # 7 Discussion/Decision: Rulon Gardner- Follow up meeting

There will be a follow up informal meeting on Wednesday, September 12, 2018 at 5:30 PM. The purpose of the meeting is just for the exchange of ideas and no legal agreements will be made. Rick, Larry and Zane are planning on joining the Manager at this meeting.

Item# 8 Discussion/Decision: Proposed Annual Total Phosphorus Load

We received an annual phosphorus load cap calculations from the Utah Department of Environmental Quality (DEQ). Robert reviewed the data and confirmed the accuracy of the table in the DEQ letter and he sees no reason to appeal the ruling. The Manager ran projections based on the trends from the DEQ table and early estimates show us hitting the cap somewhere in 2020, which would give us until around January 1, 2025 to have our new plant built and operational. Rick suggested we put this topic on the next agenda to discuss.

Item # 9 Discussion/Decision: Board Plaque

Janet is working on the Board Plaque, but it is going to take some time and will be awhile before a list of names and dates is compiled. She has to research through old records that extend back over the past 42 years. The District was formed in 1976.

Item #10 Discussion/Decision: Office copier replacement

There was a discussion on which copier would be best for the office it was decided to go with the Valley Office Systems. Larry makes a motion to approve the Valley Office Systems proposal. Lynn seconds the motion. Zane votes for this, as well.

Item #11 Discussion/ Decision: Old office computer

The old office computer has been setting around unused and we have no use for it anymore. Attempts were made to donate it to the school district, but there was no interest shown. The Board decided to give it to Ian Nevius, one of our operators for the

past year, who just resigned in order to go to college. Bob makes a motion that we give Ian the computer. Rick seconds the motion. Motion passed. All voted affirmative.

Item #12 Discussion/Decision: Attorney Letter

There was a letter sent from Attorney Brian E. Arnold regarding a legal document from a local divorce that name the MGSID. It was just an advisement to the board, but not action was necessary.

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

Larry gave the Monthly Auditor's Report and he noted there were no deficiencies. Larry stated that the Manager provides all requested documents with no questions asked. Rick thanks Larry for the time he spends doing this.

Item#14 Discussion/ Decision: New Business

Robert is starting work on the budget for next year and asked for a couple of Board Members to sit down with him and review it with questions before the November Meeting where the Preliminary Budget will be presented. Larry and Rick volunteered and agreed to meet with Robert before the next meeting on October 3.

Wendy suggested we discuss the locations for the Christmas party.

The new Bylaws are recommending that each of the Directors volunteer to take an appointment for duties related to Board operation, such as the Election officer, Ethics officer, Training Officer, etc. This will relieve some of the pressure on staff and provide more control to the Board Members on issues that are directly related to the Board.

Item#15 Discussion/Decision: Manager's Report

Robert went over the Manager's Report and said everything looks good. See following attachment.

Item#16 Motion to Adjourn: Larry makes a motion to Adjourn. Rick seconds the motion. All voted in favor. 8:46

MOUNTAIN GREEN SEWER IMPROVEMENT DISTRICT
 5455 West Old Highway Road, Mountain Green, Utah
Manager's Report for Wednesday, September 5, 2018

District Operations ~ August 2018

1. August 1 to August 31, 2018 Bank Transfers
 - a. 08/10/2018 – Main Checking to PTIF 0248 : \$ 5,000
 - b. 08/17/2018 – Main Checking to PTIF 0248 : \$12,000
 - c. 08/24/2018 – Main Checking to PTIF 0248 : \$12,000
 - d. 08/10/2018 – 1st Bank 3456 to PTIF 8621/3456 : \$3,456
2. We completed a “sludge judging” (measurement of sludge depth) in all lagoons in August. The Manager will have a report compiled for the October Board Meeting.
3. Effluent continues to measure well within state requirements and removed over 98% of Biochemical Oxygen Demand (BOD) & 99% of Total Suspended Solids (TSS) in August. E-Coli bacteria registered as Non-Detectable.

District Statistics as of August 31, 2018

Comparison of the number of Impact Fees received to date

<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
27	27	43	37

ERU STATUS

<i>ERUs Billing</i>	ERUs Under Construction	ERUs Connected	ERUs Committed But Not Activated	WILL SERVES Committed
1,115	38	+ 1,136	+ 235	= 1,409

TOTAL ERUs CONNECTED LAST SIX MONTHS RUNNING

	<i>MAR 2018</i>	<i>APR 2018</i>	<i>MAY 2018</i>	<i>JUN 2018</i>	<i>JUL 2018</i>	<i>AUG 2018</i>
CONNECTED	1,095	1,106	1,108	1,116	1,116	1,136
% OF CAPACITY	60.8%	61.4%	61.6%	62.0%	62.0%	63.1%

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

MGSID BANK STATEMENTS ENDING AUGUST 31, 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
\$15,620	\$571,079	\$157,054	\$830,017	\$1,573,770

EXPANSION / IMPACT FEES		
1st BANK \$3,456 EXPANSION ACCOUNT	PTIF 8621 3456 EXCESS EXPANSION	EXPANSION ACCOUNT TOTALS
\$2,641	\$7,962	\$10,603
1st BANK \$5,271 EXPANSION ACCOUNT	PTIF 4598 5271 EXCESS EXPANSION	
\$2,671	\$109,858	\$112,529
TOTAL CASH IN ALL ACCOUNTS		\$1,696,902

OPERATIONS INCOME & EXPENSE STATEMENT				
<i>YTD ~ January 1, 2018 through August 31, 2018</i>				
		YTD ACTUAL	YTD BUDGET	ANNL BUDGET
INCOME	Monthly Service Fees	\$ 363,696	\$ 361,200	\$ 541,800
	Late Fees	\$ 741	\$ 400	\$ 600
	New Lateral Inspections	\$ 2,500	\$ 2,800	\$ 4,000
	Other Income	\$ 547	\$ 328	\$ 500
	Taxes Income	\$ 9,179	\$ 13,200	\$ 60,600
	Interest Income	\$ 21,416	\$ 9,600	\$ 15,000
	TOTAL INCOME	\$ 398,080	\$ 387,528	\$ 622,500
EXPENSE	Administration	\$ 113,067	\$ 122,752	\$ 195,000
	Operations	\$ 87,596	\$ 116,220	\$ 185,000
	Depreciation	\$ 132,000	\$ 132,000	\$ 198,000
	TOTAL EXPENSE	\$ 332,663	\$ 370,972	\$ 578,000
NET INCOME	TOTAL NET INCOME	\$ 65,417	\$ 16,556	\$ 44,500

EXPANSION /IMPACT FEE	Impact Fee / Expansion Income	\$ 114,919	\$ 86,690	\$ 130,035
	Expansion Account Interest	\$ 1,189	\$ 2	\$ 3
	Expansion Expenses	\$ 0	\$ 0	\$ 0
	Developer Reimbursement	\$ (20,736)	\$ (51,840)	\$ (103,680)
	NET EXPANSION INCOME	\$ 95,372	\$ 34,852	\$ 26,358