

MOUNTAIN GREEN SEWER IMPROVEMENT DISTRICT
5455 West Old Highway Road, Mountain Green, Utah 84050
Minutes of the Board of Trustees Meeting
Wednesday, November 7, 2018

BOARD OF TRUSTEES MEETING AT 6:30 PM

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

Employees Present: Robert Volk, Sadie Barlow

Guests Present: None

A. Call to Order: 6:32 Zane Gray welcomed everyone to the meeting.

B. Prayer: Zane Gray

C. Approval of Agenda: Larry makes a motion to approve the agenda and make the changes to combine items 9 and 10. Rick seconds the motion. Unanimous. affirmative

D. Declaration of Conflicts of Interest: None

E. Approval of Minutes: Zane makes a change to the October 3, 2018 minutes on item 1 changing it to state "Zane will be attending and representing on behalf of Mountain Green Sewer Improvement District."

F. Next Board Meeting is scheduled for December 5, 2018 at 6:00 PM.

G. Public Comment Period. None.

AGENDA ITEMS

Item #1: Discussion/Decision: Annual Christmas Dinner

Janet has arranged for our Christmas Dinner to be at Maddox 6:00 PM on Thursday December 6. It was discussed later in the meeting and decided to invite everyone that served on the Board during the year to be invited.

Item #2: Discussion/Decision: Board Member Training & Conflict of Interest Forms

December is the last month for Board Members to have completed the required training and provided their certifications of completion, as well as turning in the 2018 Conflict of Interest Forms. The Board discussed the Roberts Rules of Order and it was decided to buy every Board member a copy of the Roberts Rules of Order reference card that Larry Nance showed. Rick made a motion for the Board to buy seven copies of the Roberts Rules of Order reference card for the Board members and that we discuss it every meeting for five minutes. Larry seconded the motion.

Gary made a motion to amend Rick's motion and to buy eight copies for the Board that will be owned by the District that will remain to the District. Larry seconded the motion. Motion passed, unanimous.

Item#3: Discussion/Decision: Board Member W-4 Forms

The W-4 forms are needed in order to process the annual Board Member compensation checks which will be sent out after December 5, 2018 meeting. Payroll taxes are withheld from compensation.

Item # 4: Discussion/Decision: Rates

The 2014 Board approved five years of gradual monthly rate increases as follows: 2015 = \$36; 2016 = \$38; 2017 = \$40; 2018 = \$42; 2019 = \$44. The Manager gave a summary of rates and how the \$44 will be used. Rick suggested that on the January agenda we choose a month to discuss rate increases.

Item #: 5: Discussion/Decision: 2018 Budget

2018 total expenses are on track so there will be no need for any amendments.

Item # 6: Discussion/Decision: Personnel Policy

Utah 17B-1-802. Review of personnel policies. Each local district that has a full or part-time employee shall annually review its personnel policies to ensure that they conform to the requirements of state and federal law. Rick gave a summary of the Personnel Policy and Handbook that he has been working on. He suggested that each member of the Board review the Employee Handbook and send any recommendations to him before the end of November. It was a homework assignment for the Board.

Item# 7: Discussion/Decision: 2019 Cost Of Living Adjustment – Wage Step Program

In 2016 the Board approved a motion to tie the District Cost Of Living Adjustment (COLA) to the conservative Social Security COLA. Based on that, the District Wage Step program has been adjusted by 2.8% for 2019. Rick made a suggestion to make an agenda item for December to put together a subcommittee that can review the Wage Step Program for possible updates. Larry made a motion to approve 2018 COLA adjustment. Rick seconded the motion. Motion passed, unanimous.

Item # 8: Discussion/Decision: 2019 Preliminary Budget

Early estimates on the 2019 budget show income will increase sufficiently at the rate of \$44.00 per month due to anticipated new connections along with additional interest income from the PTIF accounts. The Manager gave a brief summary of the preliminary Budget. There were no changes made by the Board. Gary made a motion to approve the preliminary budget as we went over tonight. Wendy seconded the motion. Motion passed, unanimous.

Item #9&10: Discussion/Decision: Agenda Process

After a lengthy discussion the Board stressed that when an agenda is put together all suggested items shall be included and that the Chairman does not have the right to exclude or edit items he does not want. Larry made a motion that we approve item 10 as so noted in this agenda to be added to the agenda process listed in the Bylaws. Gary asked if he is making a motion to amend the Bylaws. Larry said yes. There was no second on the motion. Larry withdrew his motion. The Chair agreed to follow the directions in the Bylaws going forward. If a Board Member or the Manager requests an item be added to the Agenda before the deadline on Sunday and the Chair does not comply, the Vice Chair shall be required to step in and add the requested item to the agenda before posting it to the Utah Public Notice Website and outside our office.

Item # 11: Discussion/Decision: Resignations

Wendy Eliason and Gary Ross have submitted their resignation effective December 31, 2018. The Board requested that this be put on the December Agenda. Notices and advertisements will be posted the second half of November so prospective candidates may attend the December meeting for review. It was decided to ask the candidates to prepare a brief bio to either be delivered to the office or emailed to the Manager. The Manager will then send it out to the Board to be reviewed. There will also be a Public hearing from 6pm-6:30 over the Budget for 2019 on December 5, 2018.

Item #12: Discussion/Decision: October 3, 2018 Change to Ordinance

The Board made some changes to the Ordinance which was made on October 3, 2018

Gary made a motion to change ARTICLE II 2.01 in code to say the approval process for new developments consists of three phases, Concept, Preliminary and Final. After obtaining Concept Approval by the County Council, the Developer shall provide to the District concept plans that include a Board approved land drain water system or ground water management system along with documentation for the development, and shall apply for a Conditional Will-Serve Letter from the MGSID Board of Trustees. Bob seconded the motion. Motion passed, unanimous.

Item #13: Discussion/Decision: Reports

The Board had previously requested that hard copies of all reports that are being filed for the District should be provided with every agenda. The result was an information overload, so it was decided to go back to just noting what reports had been filed in the Manager's Report and allowing any Board Member the ability to request access to such reports as needed.

Item #14: Discussion/Decision: Sludge Judge Report

The Manager conducted a Sludge Judge (measurement of accumulated solids) in the Lagoons in August/ September. The Lagoons have accumulation percentages that are 2% more than the judging three years ago, but still less than 20% of total lagoon volume. The lagoons are in good shape and healthy.

Item #15: Discussion/Decision: ULGT – Insurance / Bonding

Our liability insurer, Utah Local Government’s Trust (ULGT), notified us that their insurance coverage that replaced our separate Officer’s Bonds has created some confusion in regard to state statutes. In response, they have offered to supply “Bonds” at no additional cost, if requested.

On 10/26/2018 ULGT issued three Public Official Bonds in the amount of \$105,000 each from 3/28/2018 through 3/28/2019 for Janet Boudrero- Clerk, Sadie Barlow- Clerk and Robert Volk- Treasurer.

Item #16: Discussion/Decision: Auditor’s Alert Request for Comment

On October 23, 2018, The Utah Office of the State Auditor sent out the attached request for comment regarding fees charged by government agencies. The comment period will last 30 days. Comments should be submitted to Jeremy Walker at jeremywalker@utah.gov by Nov 23, 2018.

Item#17: Discussion/Decision: Request For Proposals (RFP) for our project engineering

The Manager and Kent Wilkerson will start putting together RFP’s for engineering firms in December and January to be ready for Board review at the February meeting for dissemination in February.

John Mackey, P.E. with the Utah Department of Environmental Quality, is in the process of sending a list of about five engineering firms that the state has worked with on similar projects.

Item#18: New Business: New Business

January- rate review process for 2020 – consider hiring independent company.

Send Employee hand book recommendations to Rick before the end of November.

Review Step Raise intervals wage step plan.

Change Public Hearing to half hour from 6:00 PM - 6:30 PM.

Larry - January Agenda - Ordinance for Land Drain.

Lynn- Review Board Officer Positions.

Rick- Benefits for part time employees

New Board Candidates

Item#19: Manager’s Report: Manager’s Report

See below.

Item#20: Motion to Adjourn: Motion to Adjourn

Gary makes a motion to Adjourn. Rick seconds. 9:17 PM

**MOUNTAIN GREEN SEWER IMPROVEMENT DISTRICT
Manager’s Report for Wednesday, November 7, 2018**

District Operations ~ October 2018

1. October 1 to October 31, 2018 Bank Transfers
 - a. 10/09/2018 –PTIF 8621/3456 to 1st Bank 3456: \$20,736
 - b. 10/19/2018 – Main Checking to PTIF 0248 : \$10,000
 - c. 10/24/2018 – Main Checking to PTIF 0248 : \$10,000
2. Third quarter Developer reimbursements were sent out:
 - a. Cottonwoods Phases II & III = 2 lots for \$6,912
 - b. Rollins Ranch Phases I, II & III = 1 lot for \$3,456
 - c. Whisper Ridge Phase I = 3 lots for \$10,368
3. Pro-Pipe is almost finished cleaning and videoing our collection system. We clean about 1/3 of our system every year on a rotating basis.
4. UDOT has completed the collaring and cleaning of our manholes on Old Highway.
5. Effluent continues to measure well within state requirements and removed over 97% of Biochemical Oxygen Demand (BOD) & 96% of Total Suspended Solids (TSS) in October. E-Coli bacteria registered as Non-Detectable.

District Statistics as of October 31, 2018

Comparison of the number of Impact Fees received to date

<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
33	37	50	45

ERU STATUS

<i>ERUs Billing</i>	ERUs Under Construction	ERUs Connected	ERUs Committed But Not Activated	WILL SERVES Committed
<i>1,117</i>	44	+ 1,136	+ 298	= 1,478

TOTAL ERUs CONNECTED LAST SIX MONTHS RUNNING

	<i>MAY 2018</i>	<i>JUN 2018</i>	<i>JUL 2018</i>	<i>AUG 2018</i>	<i>SEP 2018</i>	<i>OCT 2018</i>
CONNECTED	1,108	1,116	1,116	1,136	1,136	1,136
% OF CAPACITY	61.6%	62.0%	62.0%	63.1%	63.1%	63.1%

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

MGSID BANK STATEMENTS ENDING OCTOBER 31, 2018

OPERATIONS				
1 ST 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
\$23,581	\$618,669	\$157,744	\$833,661	\$1,633,655

EXPANSION / IMPACT FEES		
1 ST BANK \$3,456 EXPANSION ACCOUNT	PTIF 8621 3456 EXCESS EXPANSION	EXPANSION ACCOUNT TOTALS
\$2,642	\$1,101	\$3,743
1 ST BANK \$5,271 EXPANSION ACCOUNT	PTIF 4598 5271 EXCESS EXPANSION	
\$2,671	\$115,623	\$118,294

TOTAL CASH IN ALL ACCOUNTS \$1,755,692

OPERATIONS INCOME & EXPENSE STATEMENT				
<i>YTD ~ January 1, 2018 through October 31, 2018</i>				
		YTD ACTUAL	YTD BUDGET	ANNL BUDGET
INCOME	Monthly Service Fees	\$ 458,368	\$ 451,500	\$ 541,800
	Late Fees	\$ 915	\$ 500	\$ 600
	New Lateral Inspections	\$ 3,200	\$ 3,400	\$ 4,000
	Other Income	\$ 786	\$ 410	\$ 500
	Taxes Income	\$ 10,222	\$ 16,500	\$ 60,600
	Interest Income	\$ 28,340	\$ 12,400	\$ 15,000
	TOTAL INCOME	\$ 501,831	\$ 484,710	\$ 622,500
EXPENSE	Administration	\$ 141,400	\$ 150,253	\$ 195,000
	Operations	\$ 105,641	\$ 171,924	\$ 185,000
	Depreciation	\$ 165,000	\$ 165,000	\$ 198,000
	TOTAL EXPENSE	\$ 412,041	\$ 487,177	\$ 578,000
NET INCOME	TOTAL NET INCOME	\$ 89,790	(\$ -2,467)	\$ 44,500

EXPANSION/ IMPACT FEE	Impact Fee / Expansion Income	\$ 134,015	\$ 108,358	\$ 130,035
	Expansion Account Interest	\$ 1,733	\$ 5	\$ 3
	Expansion Expenses Developer Reimbursement	\$ 0	\$ 0	\$ 0
		\$ (41,472)	\$ (51,840)	\$(103,680)
	NET EXPANSION INCOME	\$ 94,276	\$ 56,523	\$ 26,358

PROJECTIONS BASED ON UT Department of Environmental Quality Table 1 Phosphorus
Mountain Green Permit UT 0024732

Date	Monthly Average Flow mgd	Maximum Monthly Flow mgd	Monthly Average Total Phosphorus as P mg/L	Monthly Load lbs/month	Twelve Month Loads lbs/yr	Total ERU's Connected	
7/31/2015	0.16	0.33	4.4	182		963	STATE BASELINE
8/31/2015	0.13	0.21	4.2	141		967	
9/30/2015	0.14	0.34	5.1	179		972	
10/31/2015	0.13	0.16	5.3	178		978	
11/30/2015	0.17	0.22	4.7	200		981	
12/31/2015	0.18	0.29	5.4	251		985	
1/31/2016	0.20	0.25	5.1	264		993	
2/29/2016	0.27	0.46	4.4	287		995	
3/31/2016	0.30	0.38	3.7	287		998	
4/30/2016	0.37	0.55	3.7	343		1003	
5/31/2016	0.35	0.44	3.4	308		1007	
6/30/2016	0.25	0.31	3.9	244	2,863	1013	
7/31/2016	0.15	0.20	4.7	182	2,864	1028	
8/31/2016	0.14	0.16	5.3	192	2,914	1032	
9/30/2016	0.16	0.30	5.4	216	2,952	1032	
10/31/2016	0.16	0.26	5.9	244	3,018	1034	
11/30/2016	0.18	0.25	6.1	275	3,093	1037	
12/31/2016	0.26	0.50	6.4	430	3,271	1039	
1/31/2017	0.32	0.82	3.7	306	3,314	1045	
2/28/2017	0.58	1.02	3.6	488	3,514	1057	
3/31/2017	0.50	0.61	2.0	259	3,486	1057	
4/30/2017	0.45	0.61	2.5	281	3,425	1058	
5/31/2017	0.39	0.50	2.6	262	3,379	1067	
6/30/2017	0.34	0.45	4.2	357	3,492	1071	
7/31/2017	0.24	0.30	4.2	261	3,571	1072	
8/31/2017	0.18	0.21	4.2	195	3,574	1072	
9/30/2017	0.18	0.25	5.6	261	3,619	1073	
10/31/2017	0.18	0.22	6.6	307	3,682	1081	
11/30/2017	0.22	0.42	6.8	387	3,794	1081	
12/31/2017	0.22	0.27	5.7	324	3,688	1082	
1/31/2018	0.23	0.29	5.6	333	3,715	1085	
02/29/18	0.24	0.33	5.0	310	3,538	1090	
3/31/2018	0.27	0.46	5.2	363	3,642	1091	
4/30/2018	0.30	0.34	4.9	380	3,741	1095	
5/31/2018	0.31	0.36	4.4	353	3,831	1106	
6/30/2018	0.24	0.30	5.1	316	3,790	1108	
7/31/2018	0.17	0.36	5.3	233	3,763	1116	
8/31/2018	0.17	0.19	5.9	259	3,826	1126	
9/30/2018	0.16	0.19	7.1	294	3,859	1136	
10/31/2018	0.17	0.22	6.6	290	3,842	1142	
11/30/2018	0.20	0.42	6.7	346	3,802	1148	
12/31/2018	0.21	0.27	5.7	309	3,787	1154	
1/31/2019	0.26	0.55	5.6	376	3,831	1160	
02/29/19	0.24	0.61	5.2	323	3,843	1166	
3/31/2019	0.33	0.61	5.3	452	3,932	1172	
4/30/2019	0.35	0.61	5.2	471	4,023	1178	
5/31/2019	0.36	0.50	4.6	428	4,098	1184	
6/30/2019	0.29	0.45	5.2	390	4,172	1190	
7/31/2019	0.20	0.30	5.4	279	4,218	1196	
8/31/2019	0.18	0.21	5.9	275	4,233	1202	
9/30/2019	0.18	0.25	4.6	214	4,154	1208	
10/31/2019	0.18	0.22	5.6	261	4,124	1214	
11/30/2019	0.21	0.42	6.6	358	4,136	1220	
12/31/2019	0.24	0.27	6.8	422	4,249	1226	
1/31/2020	0.29	0.58	5.6	420	4,292	1232	
2/29/2020	0.37	0.61	5.2	497	4,467	1238	
3/31/2020	0.36	0.61	5.2	484	4,499	1244	
4/30/2020	0.38	0.61	4.9	481	4,509	1250	
5/31/2020	0.39	0.50	4.4	444	4,525	1256	
6/30/2020	0.32	0.45	5.1	422	4,557	1262	
7/31/2020	0.23	0.30	5.3	315	4,593	1268	
8/31/2020	0.21	0.21	5.9	320	4,639	1274	
9/30/2020	0.22	0.25	4.2	239	4,664	1280	
10/31/2020	0.21	0.25	5.6	304	4,707	1286	
11/30/2020	0.25	0.42	6.6	427	4,775	1292	
12/31/2020	0.27	0.32	6.8	475	4,828	1298	

STATE BASELINE

RUNNING ACTUAL

PROJECTIONS

FROM TABLE #1 DEQ					
Ave Flow (mgd)	0.33	Average TP (mg/L)	5.6	Maximum Annl Load (lbs/yr)	3,571
Max Flow (mgd)	1.02	Max TP (mg/L)	6.6	125% of Annl Load (lbs/yr)	4,464