

**BOARD MEETING
MARCH 16, 2016
9:00 A.M.
MT. OLYMPUS IMPROVEMENT DISTRICT
3932 SOUTH 500 EAST**

SUMMARY

1. **MINUTES OF BOARD MEETING – FEBRUARY 17, 2016**
2. **MT. OLYMPUS PAYABLES**
3. **CENTRAL VALLEY PAYABLE**
4. **FINANCIAL REPORT**
5. **CENTRAL VALLEY REPORT – MEL MACKAY**
 - A. **REVIEW OF QUESTIONS FROM FINANCIAL CONSULTANTS**
6. **LEGISLATIVE UPDATE**
7. **MANAGER’S REPORT**
 - A. **PERSONNEL REVIEW**
 - B. **OPERATIONS REPORT**
 1. **UPDATE OF CAPITAL PROJECTS**
 - a. **BUILDING B EXPANSION**
 - b. **BUILDING C HEATING AND AIR CONDITIONING REPLACEMENT**
 - c. **JET TRUCK**
 - d. **OTHER**
 - C. **UTILITY MANAGEMENT CONFERENCE REPORT**
 - D. **WEAU CONFERENCE UPDATE**
 - E. **WEFTEC 2016 CONFERENCE UPDATE**
8. **INFORMATION ITEMS (NO ACTION REQUIRED)**
 - A. **DISTRICT ACTIVITY REPORTS**
 - B. **CENTRAL VALLEY FLOW & LOAD REPORT**
 - C. **UTAH PUBLIC TREASURER’S POOL YIELD**

PRESENT: **MEL MACKAY, BOARD CHAIR
JOHN NORTON, TRUSTEE
AMI NEFF, TRUSTEE
KERRY EPPICH, GENERAL MANAGER
STEPHEN ROHWER, DISTRICT CONTROLLER
TAMMY GONZALES, EXECUTIVE SECRETARY/DISTRICT CLERK**

PRESIDING: **CHAIR, MEL MACKAY**

1. MINUTES OF BOARD MEETING – FEBRUARY 17, 2016

Motion to approve the February 17, 2016 Board Meeting minutes, as written, was made by Trustee John Norton and seconded by Trustee Ami Neff. The motion was approved by unanimous vote, those voting in favor: John Norton, Ami Neff, and Mel Mackay.

2. MT. OLYMPUS PAYABLES

After review and discussion, motion to approve the Mt. Olympus Payables was made by Trustee John Norton and seconded by Trustee Ami Neff. The motion was approved by unanimous vote, those voting in favor: John Norton, Ami Neff, and Mel Mackay.

3. CENTRAL VALLEY PAYABLE

After review and discussion, motion to approve the Central Valley Payable was made by Trustee John Norton and seconded by Trustee Ami Neff. The motion was approved by unanimous vote, those voting in favor: John Norton, Ami Neff, and Mel Mackay.

4. FINANCIAL REPORT

The Financial Report was accepted for filing by Board Members.

5. CENTRAL VALLEY REPORT – MEL MACKAY

The following topics were discussed at the last Central Valley Board meeting:

- ***Change in Minutes*** – There was a change in the January Board training minutes. Three entities had paid-off their loan: Granger-Hunter, Mt. Olympus, and Cottonwood. They incorrectly listed Taylorsville-Bennion as paying off their loan.
- ***Enginator Project*** – Central Valley has begun the design portion for the replacement of the engine generators. There are three different options they are considering: 1) replace 2 enginators now, then 1 in 2023 and 1 in 2028, 2) replace 3 engines now and 1 in 2023 or 3) replace all four engines now. Manager Eppich stated that Central Valley is going to propose that all the enginators be done together within the next two years as opposed to two being done now and two later. The new enginators will run on a low pressure gas, and will have a different type of cooling system. So the thought being that they should all be done together. This enginator project will cost close to \$16 million. Jim Hutchins from Brown and Caldwell is preparing seismic information on the engine phasing study. Trustee Norton stated this will most likely be done on the rest of the plant as well.
- ***Legislation/Water Quality Board Meeting*** – Walt Baker gave an update on Senate Bill 110/Water Quality Amendments, which passed. This bill: 1) defines terms; 2) establishes an independent peer review process for challenges made to proposals from the Division of Water Quality; and 3) establishes the requirements, including selecting the panel of independent experts, for an independent peer review. Walt Baker supports this bill.

5. CENTRAL VALLEY REPORT – MEL MACKAY (CONTINUED)

- *Software* – Central Valley is working with Brown and Caldwell to select asset management software. The cost for the software will total about \$175,000, plus additional yearly costs for maintenance.
- *Interceptors* – The main prioritization for lining is the Murray-Cottonwood interceptor. Central Valley has budgeted \$2 million in 2016 to start the remaining interceptor lining. Plans and specs were scheduled to be in by March 14th for this year's budgeted lining.
- *Food Recovery Program* – Central Valley would like to put a pilot program in place to study the food recovery program at a cost of \$18,000 for the two tanks that have already been purchased for this study. This program will have an operating cost of about \$5,000 annually.
- *Interlocal Agreement Update* – Central Valley would like to do a study on the Interlocal Agreement regarding the Resource Recovery Project. Currently the Interlocal Agreement states that Central Valley will receive and treat the waste from its seven entities, but bringing in waste from other companies would not be allowed.
- *Jordan River/Farmington Bay Update* – An update on the Jordan River/Farmington Bay Coalition was discussed as well.

A. REVIEW OF QUESTIONS FROM FINANCIAL CONSULTANTS

The Board was provided copies of the Central Valley "Comprehensive Financial Planning Questionnaire". The Board and management discussed each question in detail. These questions will be answered and returned to Central Valley before the March 30th deadline. The consultants will consolidate the responses from the member entities and then they will be discussed in detail at the April 12th managers meeting.

6. LEGISLATIVE UPDATE

Manager Eppich discussed the following Bills:

- *House Bill 347/Local and Special Service District Amendments* – this bill; 1) defines terms; 2) clarifies when a member of a board of trustees of a local district may complete training; 3) clarifies notice requirements related to the imposition or increase of a fee for service; and 4) addresses the applicability of other provisions to a public transit district; 5) removes a provision that prohibits a person from riding a transit vehicle without paying the applicable fare; 6) authorizes an improvement district created to operate a sewage system to acquire, construct, or operate a resource recovery project; 7) establishes powers and duties of an improvement district that owns, acquires, constructs, or operates a resource recovery project; 8) establishes the required provisions of an agreement between an improvement district and a private person or a public agency for the ownership, acquisition, construction, management, or operation of a resource recovery project.

6. **LEGISLATIVE UPDATE (CONTINUED)**

- *House Bill 155/Reporting of Child Pornography* – this bill; 1) requires that a computer technician who finds child pornography in the course of the technician’s work shall report the finding to law enforcement or the federal cyber tip line for child pornography; 2) provides that an employer may establish a procedure for the computer technician employee to report to a designated employee who will report the child pornography. Darren Stone the District’s IT Technician will be trained on this new law.
- *Senate Bill 19/Phased Retirement* – this bill; 1) defines terms; 2) allows a participating employer to participate in phased retirement for a retiree who has not completed the one-year employment separation requirement; 3) requires a participating employer that offers phased retirement to establish written policies and enter into a written agreement with the retiree; 4) provides for retiree eligibility for phased retirement and establishes restrictions; 5) provides for participating employer and retiree reporting.
- *Senate Bill 34/Sub-Sewer Lateral Disclosures* – this bill; 1) defines terms; 2) requires each public owner of sanitary sewer facilities to provide certain disclosures related to liability for the repair or replacement of a sewer lateral.
- *Senate Bill 142/Improvement District Amendments* – 1) defines terms; 2) authorizes an improvement district created to operate a sewage system to acquire, construct, or operate a resource recovery project; 3) establishes powers and duties of an improvement district that owns, acquires, constructs, or operates a resource recovery project; 4) establishes the required provisions of an agreement between an improvement district and a private person or a public agency for the ownership, acquisition, construction, management, or operation of a resource recovery project.

7. **MANAGER’S REPORT**

A. **PERSONNEL REVIEW**

The following employees will reach their anniversary date in April:

Mike Cox’ anniversary is April 6th. He will have been with the District for 18 years.

Vincent Willis’ anniversary is on April 30th. He will have been with the District for 4 years.

Kevin Thomas’ anniversary is on April 30th. He will have been with the District for 4 years.

They are all doing a good job.

7. MANAGER'S REPORT (CONTINUED)

B. OPERATIONS REPORT

1. UPDATE OF CAPITAL PROJECTS

District Engineer, Dean Ayala discussed the following projects:

- a. ***Building B Expansion*** – The shop building expansion bid date is scheduled for mid-May. The plans are approximately 95% complete and Bowen and Collins have turned those plans over to Salt Lake County for review. Once the County finalizes their review, the plans will go out for bid. One item that came up during the remodel was the roof of the building. Where the new and the old roof meet, to make the connection a seamless connection it was decided to redo the entire roof. This will increase the cost of the expansion by about \$20,000. Completion should be done before winter.
- b. ***Building C Heating and Air Conditioning Replacement*** – A pre-bid meeting with contractors is going to be held on March 22, 2016 with bid openings scheduled for March 31st. Approximately six contractors are anticipated to bid on the project. Completion should be around the end of May. The initial anticipated estimate was \$150,000 but that only included the air conditioning portion. With the heating also being replaced it is estimated to cost approximately \$243,000 for both the heating and air conditioning systems.
- c. ***Jet Truck*** – The new jet truck is scheduled to arrive mid-May. Budgeted costs for the new truck was \$270,000 but came in around \$230,000. The 2006 International jet truck will be put out to be sold/traded. Asking price will start at \$10,000. We anticipate receiving \$25,000. The \$40,000 difference on the new truck and the sell/trade on the old jet truck will help with the additional cost of the HVAC system.
- d. ***Other*** – Daily's Foods has given us a construction timeline of end of July for the retro fitting to their building. They also want to test their flows at that time for volume and fog content to see where their fees will be. Manager Eppich stated they will not meet the deadline that was given them, so they will need to send in a letter asking for an extension.

2. EMERGENCY LINE REPLACEMENT ON 300 EAST

Manager Eppich reported on an emergency line replacement on 300 East. During a routine cleaning of a clay pipe siphon, it was determined that the bottom of the pipe was gone. A sonar viewing had been done recently but the rotting away was not detected. Cliff Johnson Excavating did the repair at a cost of \$16,000. Anticipated cost to replace the new asphalt could be another \$16,000.

7. **MANAGER'S REPORT (CONTINUED)**

C. **UTILITY MANAGEMENT CONFERENCE REPORT**

Manager Eppich and Controller Rohwer attended this conference. Both felt it was a good conference with good information. Controller Rohwer felt the succession planning portion of the conference was very good. Although we have done some succession planning, he feels it is very important for the District to look into this more closely. Communication with the public was another topic that was discussed.

D. **WEAU CONFERENCE**

The WEAU Conference will be held April 26-29, 2016. Hotel reservations have been made. Conference registrations will be made next week. Those attending the conference are: Manager Eppich, Ray Dotson, Dean Ayala, and Trustees Mel Mackay and Ami Neff. Kerry, Mel, Ray and Dean will attend the Preconference Workshop. Trustee Ami Neff will let us know if she is able to make the Preconference.

E. **WEFTEC 2016 CONFERENCE UPDATE**

The WEFTEC Conference will be held September 26-28, 2016 in New Orleans. Conference registrations and hotel reservations will be available April 19, 2016. Those attending the conference are: Manager Eppich, Dean Ayala, and Trustees Mel Mackay, John Norton and Ami Neff.

8. **INFORMATION ITEMS (NO ACTION REQUIRED)**

A. **DISTRICT ACTIVITY REPORTS**

- ***CALL VOLUME:*** The first chart was the incoming call volume for February, showing the number of calls and the duration. February 8th had the most incoming calls at 243.
- ***CAPACITY FEES:*** The capacity fee chart shows the number of fees collected. In February we received 62 capacity fees.
- ***LINES CLEANED:*** The lines cleaning chart shows that 109,289 feet of lines were cleaned in February.
- ***ENGINEERING:*** Our engineering report for February shows the number of inspections, 40, Blue Stakes calls 536, nose-ons 1, and sewer availability letters requested was 1.
- ***LINES TVd:*** The next chart showed that 15,196 feet of lines were TVd for the month of February.
- ***WEBSITE ANALYSIS:*** No analytical information of our website was available for February.

8. INFORMATION ITEMS (NO ACTION REQUIRED) (CONTINUED)

B. CENTRAL VALLEY FLOW & LOAD REPORT

A copy of the current Central Valley Flow & Load Report was not available.

C. UTAH PUBLIC TREASURER'S POOL YIELD

The Utah Public Treasurer's Pool Yield for February 2016 was up slightly from .768% to .779%.

With no further business to come before the Board, motion to adjourn was made by Trustee John Norton and seconded by Trustee Ami Neff. The motion was approved by unanimous vote, those voting in favor: John Norton, Ami Neff, and Mel Mackay.

The meeting was adjourned at 12:05 p.m.

Mel Mackay, Board Chair