

**BOARD MEETING
MAY 20, 2015
9:00 A.M.
MT. OLYMPUS IMPROVEMENT DISTRICT

3932 SOUTH 500 EAST**

SUMMARY

- 1. MINUTES OF BOARD MEETING – APRIL 15, 2015**
- 2. MT. OLYMPUS PAYABLES**
- 3. CENTRAL VALLEY PAYABLE**
- 4. FINANCIAL REPORT**
- 5. CENTRAL VALLEY REPORT – JOHN NORTON**
- 6. ELECTION UPDATE AND APPROVAL TO PUBLISH DECLARATION OF CANDIDACY NOTICE**
- 7. 9:30 A.M. - PRESENTATION OF PRELIMINARY AUDIT REPORT FOR THE YEAR ENDED DECEMBER 31, 2014 BY HUBER ERICKSON & BOWMAN, CERTIFIED PUBLIC ACCOUNTANTS**
- 8. DISCUSSION AND APPROVAL OF AGREEMENT FOR INTERIM IMPACT FEES WITH DAILY'S PREMIUM MEATS - ACCOUNT #13.1509**
- 9. SB 193 IMPLEMENTATION UPDATE**
- 10. MANAGER'S REPORT**
 - A. PERSONNEL REPORT**
 - 1. DISCUSSION OF ENGINEERING POSITION**
 - B. OPERATIONS REPORT**
 - 1. APPROVAL OF LINING PROJECT BIDS**
 - C. WEAU CONFERENCE REPORT**
 - D. GFOA CONFERENCE REPORT**
 - E. GFOA NATIONAL CONFERENCE**
 - F. WEFTEC 2015 CONFERENCE**
- 11. INFORMATION ITEMS (NO ACTION REQUIRED)**
 - A. CENTRAL VALLEY FLOW & LOAD REPORT**
 - B. 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

GUESTS: CHESLEY ERICKSON AND CORY SNOW OF HUBER ERICKSON & BOWMAN

PRESIDING: CHAIR MEL MACKAY

1. MINUTES OF BOARD MEETING – APRIL 15, 2015

Motion to approve the April 15, 2015 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 – JOHN NORTON

Trustee Norton reported that the following topics were discussed at the last Central Valley board meeting:

- Dr. Theron Miller discussed the studies and work on the impounded wetlands of the Great Salt Lake and Farmington Bay. The impact of nutrients was the main topic. The Collalition is funding a study of how to use genetic analysis to detect if some signature species like mussels are present.
- The Siphon Project: the 30 inch line is done; the 42 inch was started last month. Manager Eppich stated there was an update to the 42 inch line - the liner shrunk and took twice as long to cure. They also found an air-pocket which caused them to have to line further than anticipated. Central Valley is also struggling with the contractor to get these situations resolved.
- A summary of the nutrient study contract with Brown and Caldwell was discussed. They are in process of completing a hydraulic model to get a lay-out of the plant. The asset management team is gathering information on the software and equipment.

6. ELECTION UPDATE AND APPROVAL TO PUBLISH DECLARATION OF CANDIDACY NOTICE

Copies of the ad and the Declaration of Candidacy form was provided to the Board for their information and review. Manager Eppich stated that a notice for the Declaration of Candidacy will run in the newspaper on Sunday, May 24, 2015. Last day to file for candidacy is June 8, 2015.

6. **ELECTION UPDATE AND APPROVAL TO PUBLISH DECLARATION OF CANDIDACY NOTICE (CONTINUED)**

After review and discussion, motion to have Manager Eppich publish the Declaration of Candidacy Notice was made by Trustee Ami Neff and seconded by Trustee John Norton. The motion was approved by unanimous vote, those voting in favor: John Norton, Ami Neff, and Mel Mackay.

7. **9:30 A.M. - PRESENTATION OF PRELIMINARY AUDIT REPORT FOR THE YEAR ENDED DECEMBER 31, 2014 BY HUBER ERICKSON & BOWMAN, CERTIFIED PUBLIC ACCOUNTANTS**

At 9:06 a.m. Chesley Erickson and Cory Snow, with Huber Erickson & Bowman were welcomed into the meeting.

Copies of the preliminary audit report were provided to Board Members for their review. Mr. Erickson briefly discussed the audit and stated it was a successful and efficient audit. Mr. Erickson stated that the first report in the audit package is the audit report and that it is a clean or unqualified report. Mr. Erickson voiced appreciation to Mr. Rohwer, Manager Eppich and office staff for their assistance in helping them expedite the audit. Mr. Erickson then went over the MD&A. The MD&A is a narrative of the District's operations and financial analysis. It is put together by management and is reviewed but not audited. Mr. Erickson then reviewed the remainder of the audit and the other reports.

The District is in compliance, in all material respects, with general compliance requirements as reported in the State Legal Compliance report and with internal controls as reported in the Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards. Mr. Erickson then asked if there were any other questions.

Management will do a final review and then the audit will be presented at the next board meeting for final approval.

8. **DISCUSSION AND APPROVAL OF AGREEMENT FOR INTERIM IMPACT FEES WITH DAILY'S PREMIUM MEATS - ACCOUNT #13.1509**

As you may recall, Daily Foods signed a contract with Bowen & Collins to measure their flows and loadings. Bowen & Collins monitored Daily Foods flows and loadings for a month and then did their analysis. They have given us the results and we have worked with Bowen & Collins to see where Daily's flows and loadings are in regards to the new rate studies. Daily's is working with Bowen & Collins to try and reduce both their flow and load numbers. There are three amounts that are being considered for the interim impact fees: 1) is 1,083 RE's, this is the amount if we were to set the rate on what the flow and load is now, 2) is 798 which is based on the same flow but getting the load reduced to a reasonable level and, 3) is 551 which is a significant reduction of both flow and load.

8. DISCUSSION AND APPROVAL OF AGREEMENT FOR INTERIM IMPACT FEES WITH DAILY'S PREMIUM MEATS - ACCOUNT #13.1509 (CONTINUED)

The middle amount of 798 RE's is the number being recommended. Manager Eppich agreed to give them a year to work on getting their flow and load numbers down. We further agreed they would pay \$300,000 down upon signing the Agreement and \$5,000 a month toward the impact fees. They will also pay \$7,980 per month for their monthly fees. Within a one-year period they will develop a final study and will be required to adhere to the results of that study. A copy of an agreement was provided for Board review.

After review and discussion, motion to approve the Agreement for Interim Impact Fees for Daily's Premium Meats 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.

9. SB 193 IMPLEMENTATION UPDATE

On May 8, 2015 we certified 1,904 accounts totaling \$207,722.98. Provided to the Board was an example of the differences between compound interest to simple interest per SB 193. Controller Rohwer then had a discussion on those differences.

10. MANAGER'S REPORT

A. PERSONNEL REVIEW

Manager Eppich reported that the following employees will have an anniversary in June:

- Paul Silcox's anniversary is on June 30th. He has been here 18 years.
- Zack Stevens' anniversary is on June 30th. He has been here 18 years.

Both are doing a good job.

1. DISCUSSION OF ENGINEERING POSITION

As you may recall, Don Telford, District Engineer will be retiring at the end of the year. It is being recommended that we hire a replacement to start in July to get the necessary training. Manager Eppich stated we will be posting the notice in the newspaper, online, and with Workforce Services.

B. OPERATIONS REPORT

1. APPROVAL OF LINING PROJECT BIDS

We received three bids for the lining project:

COMPANY NAME	BID PRICE
PEC INC.	\$248,600.00
INSITUFORM	\$319,381.00
LAYNE INLINE	\$298,383.00

10. MANAGER'S REPORT (CONTINUED)

B. OPERATIONS REPORT

1. APPROVAL OF LINING PROJECT BIDS (CONTINUED)

It is being recommended we accept PEC's bid, not only for being the lowest bidder, but because we have been pleased with their work in the past and they have been good to work with.

After review and discussion, motion to accept PEC's bid to perform the District's 2015 Lining Project 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.

C. WEAU CONFERENCE REPORT

Manager Eppich and Trustees Mackay and Neff stated they thought it was a good conference. Each year this conference gets better.

D. GFOA CONFERENCE REPORT

Manager Eppich and Controller Rohwer attended this conference in St. George, Utah. Both felt it was a good conference.

E. GFOA NATIONAL CONFERENCE

Manager Eppich and Controller Rohwer will attend this upcoming conference in Philadelphia, PA. The conference starts May 30, 2015 with pre-conferences starting May 29th. Kerry and Stephen will fly out on May 28th.

F. WEFTEC 2015 CONFERENCE

Registrations and hotel reservations for WEFTEC have been made. Flight reservations will be done in the near future. Those scheduled to attend the conference are: Manager Eppich, District Engineer Don Telford, Trustees, John Norton, and Ami Neff.

11. INFORMATION ITEMS (NO ACTION REQUIRED)

A. CENTRAL VALLEY FLOW & LOAD REPORT

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

B. UTAH PUBLIC TREASURER'S POOL YIELD

The Utah Public Treasurer's Pool Yield for April 2015 was .5400%.

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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 adjourned at 11:40 a.m.

Mel Mackay, Board Chair