

**BOARD MEETING
MARCH 21, 2012
9:00 A.M.
SALT LAKE CITY SURBURBAN
SANITARY DISTRICT #1
3932 SOUTH 500 EAST**

SUMMARY

- 1. MINUTES OF BOARD MEETING – FEBRUARY 15, 2012**
- 2. DISTRICT ONE PAYABLES**
- 3. CENTRAL VALLEY PAYABLE**
- 4. FINANCIAL REPORT**
- 5. DARRELL CHILD – OLYMPUS INSURANCE – DISCUSSION OF INSURANCE ISSUES**
- 6. TOM HOLSTROM – CENTRAL VALLEY – DISCUSSION OF THE JORDAN RIVER STUDY**
- 7. CENTRAL VALLEY REPORT – MIKE EMBLEY**
- 8. DISCUSSION AND APPROVAL OF TIER II RETIREMENT OPTIONS**
- 9. LEGISLATIVE UPDATE**
- 10. REVIEW AND ACCEPTANCE OF CAPITAL FACILITIES PLAN AND SCHEDULE HEARING ON THE CFP**
- 11. MANAGER’S REPORT**
 - A. PERSONNEL REVIEW**
 - B. OPERATIONS REPORT**
 - C. PUMPER CLEANER EXPO REPORT**
 - D. WEAU CONFERENCE – REGISTRATION**
 - E. WEFTEC 2012 CONFERENCE - REGISTRATION**
- 12. INFORMATION ITEMS (NO ACTION REQUIRED)**
 - A. CENTRAL VALLEY FLOW & LOAD REPORT**
 - B. UTAH PUBLIC TREASURER’S POOL YIELD**

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

VISITORS: DARRELL CHILD, OLYMPUS INSURANCE
TOM HOLSTROM, CENTRAL VALLEY

PRESIDING: CHAIR, MIKE EMBLEY

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1. MINUTES OF BOARD MEETING – FEBRUARY 15, 2012

Motion to approve the February 15, 2012, Board Meeting minutes was made by Trustee Mel Mackay and seconded by Trustee John Norton. The motion was approved by unanimous vote, those voting in favor: Mel Mackay, John Norton, and Mike Embley.

2. DISTRICT ONE PAYABLES

After review and discussion, motion to approve the District One Payables was made by Trustee John Norton and seconded by Trustee Mel Mackay. The motion was approved by unanimous vote, those voting in favor: Mel Mackay, John Norton, and Mike Embley.

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 Mel Mackay. The motion was approved by unanimous vote, those voting in favor: Mel Mackay, John Norton, and Mike Embley.

4. FINANCIAL REPORT

The Financial Report was accepted for filing by Board Members.

5. DARRELL CHILD – OLYMPUS INSURANCE – DISCUSSION OF INSURANCE ISSUES

Darrell Child of Olympus Insurance gave the Board a presentation discussing different policy options regarding sewer back-up coverage. Legal liability and a no fault plan were the major topics discussed in detail as well as the different strategies the District could potentially use in a wastewater event. Mr. Child then asked if there were any questions. Trustee Embley talked about how proprietary versus nonproprietary types of functions are being handled by government entities and if the Governmental Immunity Act has been eroded. He also asked how the insurance industry is handling these types of cases. Trustee Mackay asked who determines legal liability. Mr. Child said it is the insurance adjuster.

Manager Eppich stated that the District needed to develop a plan of how to handle these types of wastewater events so that they are handled the same way and the way the Board would like them to be handled.

Manager Eppich stated that we will contact other entities and get some information from them on their policies. The Board will then review and discuss that information and will make a decision on the best policy for the District.

6. TOM HOLMSTROM – CENTRAL VALLEY – DISCUSSION OF THE JORDAN RIVER STUDY

Tom Holstrom, General Manager of Central Valley gave a discussion regarding the Jordan River Study. The Jordan River/Farmington Bay Water Quality Coalition was formed back in 2009. The objective of this group was to develop sound science in response to some of the initiatives from the State Division of Water Quality regarding the Total Maximum Daily Load “TMDL” study on the river. Every three years the state does a study of the waters of the State that shows if the waters are impaired.

E coli really isn’t an issue for us because we have an efficient disinfection system in place. The State is saying the dissolved oxygen in the water is an impairment that comes from nutrients discharged by the treatment plant. Another issue is the impounded wetlands around the lake that the Jordan River flows into. These are issues that are being studied by Central Valley. Central Valley will send their results to the State showing there is no linkage between nutrients from the treatment plant but the nutrients are in fact going into the river from organic matter coming from falling leaves. The State is focusing on fine organic matter that they feel is coming from the sewer plants while Central Valley is refuting this and is in the process of doing more research to show it is coarse organic matter from dead leaves and such in the river. Central Valley is talking with the other treatment plants about banding together to fund this research on a tiered contribution plan.

7. CENTRAL VALLEY REPORT – MIKE EMBLEY

Trustee Embley reported on the last Central Valley Board meeting.

New Golf Course Agreement: Central Valley is in the process of signing a new Agreement for new management at the golf course and Golf in the Round. This will bring the Golf Course and the Golf in the Round together under one management group and the agreement will be in place for 20 plus years.

8. DISCUSSION AND APPROVAL OF TIER II RETIREMENT OPTIONS

As you may recall we discussed this issue at the last board meeting.

The Utah Retirement System has made a significant change to the retirement system by creating a second Tier. Stephen Rohwer, District Controller gave a presentation showing the differences between the two Tiers and explained how newer employees (those on Tier II) are receiving less on their retirement percentage compared to employees with more seniority (those on Tier I). Currently there are two employees with the District who will fall under the Tier II System. Manager Eppich broke down some of these percentages.

After review and discussion, motion to wait and see how next year’s budget looks and then take a look at this again was made by Trustee Mel Mackay and seconded by Trustee John Norton. The motion was approved by unanimous vote, those voting in favor: Mel Mackay, John Norton, and Mike Embley.

9. LEGISLATIVE UPDATE

Manager Eppich who attended the legislative meetings reported on the following bills:

- ***Reimbursement of Legal Fees and Costs to Offices and Employees Act/House Bill 83*** – provides that an officer or employee is not entitled to recover attorney fees and court costs on an indictment or information if, in a court or in an administrative hearing to terminate the officer or employee, the public entity of the officer or employee proves that the officer or employee engaged in the misconduct that formed the basis of the indictment or information. This bill failed.
- ***Public Meetings During Party Caucuses/House Bill 90*** – prohibits a public body from holding a meeting during a caucus of certain registered political parties. This bill failed.
- ***Government Competition with Private Enterprise/House Bill 94*** – this bill requires a government entity to conduct a study and contact private enterprise before engaging in certain commercial activity. This bill is a concern for the District. This bill failed.
- ***Impact Fee Amendments/House Bill 288*** – this bill amends provisions relating to an impact fee facilities plan and requires a political subdivision or private entity to identify in an impact fee analysis the cost of an impact fee facilities plan, analysis, independent review, or enactment. This bill will directly impact the District. We are watching it closely. This bill failed
- ***Open Government Amendments/House Bill 337*** – this bill amends provisions of the Government Records Access and Management Act (GRAMA) and other portions of the Utah Code by requiring the disclosure of certain records and creating the Utah Public Records Website as a central location for the public to access public records. This bill failed.
- ***Financial Disclosure by Local Candidates/House Bill 341*** – this bill amends Title 20A Election Code, relating to financial disclosure by local candidates. This bill failed.
- ***Local District Dissolution/Dissolution of Active Local Districts/House Bill 421 and 422*** – basically these bills state that any creating agency could technically say the local district is not doing their job or needed anymore and they will take over and dissolve that particular district. This bill failed.
- ***Midterm Vacancy Amendments/House Bill 491*** – this bill amends provisions relating to filling a midterm vacancy in an elected office. This bill passed and will require that in the case of a midterm vacancy that the discussion of a candidate be in an open meeting.
- ***Senate Bill 21*** – this bill changes the composition of each board created under Title 19, Environmental Quality Code, requires specific qualifications for a board member, subjects a board member to certain requirements, transfers some powers and duties from the boards to the executive director or division directors, and gives rulemaking authority to the department. This bill is an attempt to get Leland Meyers off the Water Quality Board. This bill passed.
- ***Senate Bill 78*** – this bill directs the Revenue and Taxation Interim Committee to conduct a study of the proper allocation of water costs to the rate structure charged for water customers. This bill is going to interim study.

9. LEGISLATIVE UPDATE (CONTINUED)

- **Senate Bill 114** – this bill amends provisions of the Utah Procurement Code relating to protests, legal action, and appeals. This bill passed and requires us to have a Procurement Code Board.
- **Senate Bill 137** – this bill requires that an entity created by an interlocal agreement, provide public financial information through the Utah Public Finance Website. This will make Central Valley have to post to the Financial Transparency website like we do.
- **Senate Bill 150** – this bill amends provisions related to the local district and the special service district code. This was a clean-up bill that has passed.
- **Senate Bill 153** – this bill recodifies and amends the Utah Procurement Code. There are problems with this bill and the Association is working on getting it amended. Due to these major issues with the bill we were (along with other agencies) able to put the implementation of this bill off until May of 2013.
- **Senate Bill 177** – this bill amends provisions of the Public Records Management Act and the Government Records Access Management Act by providing for the training of records officers, creating the position of a government records ombudsman, and amending provisions relating to the disclosure or protection of records. This bill passed.
- **Senate Bill 180** – this bill enacts language related to a political subdivision officer or employee ethics violation. This bill passed.

10. REVIEW AND ACCEPTANCE OF CAPITAL FACILITIES PLAN AND SCHEDULE HEARING ON THE CFP

As you may recall we discussed the Capital Facilities plan at the last board meeting. Manager Eppich stated he felt that Bowen and Collins did a good job but we are waiting for the actual impact fee study. Trustee Norton asked if there will be changes implemented by the plan. Based on this particular study no, however this will lead into our rate study and the impact fee study and there will definitely be changes with those.

After review and discussion motion to approve the Capital Facilities Plan and schedule the Hearing on the CFP at the next board meeting on April 25, 2012 was made by Trustee John Norton and seconded by Trustee Mel Mackay. The motion was approved by unanimous vote, those voting in favor: Mel Mackay, John Norton, and Mike Embley.

11. MANAGER'S REPORT

A. PERSONNEL REVIEW

The following employee will reach his anniversary date in April:

Mike Cox' anniversary is April 6. He will have been with the District for 14 years and is doing a good job.

11. MANAGER'S REPORT (CONTINUED)

B. OPERATIONS REPORT

The crews are reviewing the lines and cleaning is up to date. We will try and finish Mansfield this year.

C. PUMPER CLEANER EXPO REPORT

Some of the items viewed at the Pumper Cleaner Expo were some perma-liner repairs. There is new equipment that can go up a lateral six to eight feet and seal the connection of the lateral to the main line. There was also a new steam curing system to cure the liner that we looked at. This would shorten the curing time from 2 to 3 hours to 30 minutes. Manager Eppich then discussed these items in detail.

D. WEAU CONFERENCE

The WEAU Conference will be held April 16-20, 2012. Those attending the conference are: Manager Eppich, Don Telford, Ray Dotson, Trustees Mike Embley and Mel Mackay. Kerry and Mike will attend the Preconference Workshop.

E. WEFTEC 2012 CONFERENCE - REGISTRATION

The WEFTEC Conference will be held October 1-4, 2012 in New Orleans. We will be making the hotel reservations on March 30, 2012. Those attending the conference are: Manager Eppich, Don Telford, Ray Dotson, Trustees Mike Embley, Mel Mackay and John Norton.

12. INFORMATION ITEMS (NO ACTION REQUIRED)

A. CENTRAL VALLEY FLOW & LOAD REPORT

A copy of the current Central Valley Flow & Load Report was provided for Board review. Manager Eppich stated that flows are at approximately 13½ MGD.

B. UTAH PUBLIC TREASURER'S POOL YIELD

The Utah Public Treasurer's Pool Yield for February 2012 was up slightly to .78% from .73% last month.

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

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

Mike Embley, Board Chair