

**BOARD MEETING
FEBRUARY 20, 2013
9:00 A.M.
MT. OLYMPUS IMPROVEMENT DISTRICT
3932 SOUTH 500 EAST**

SUMMARY

- 1. MINUTES OF BOARD MEETING – JANUARY 16, 2013**
- 2. MT. OLYMPUS PAYABLES**
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- 5. CENTRAL VALLEY REPORT – MIKE EMBLEY**
 - A. STUDY SESSION REPORT**
- 6. LEGISLATION UPDATE**
- 7. UPDATE AND MOTION ON REQUEST FOR PROPERTY TAX RELIEF OF 5838 SHANGRI LANE**
- 8. DISCUSSION AND MOTION ON WATER COMPANY CONTRACT SETTLEMENT**
- 9. DISCUSSION AND MOTION TO CHANGE THE DECEMBER BOARD MEETING DATE**
- 10. MANAGER’S REPORT**
 - A. PERSONNEL REVIEW (POSSIBLE CLOSED SESSION TO DISCUSS EMPLOYEE ISSUES)**
 - B. OPERATIONS REPORT**
 - 1. UPDATE OF VAC-CON PURCHASE**
 - C. PUMPER CLEANER EXPO UPDATE**
 - D. WEF MANAGEMENT CONFERENCE UPDATE**
 - E. WEAU ANNUAL CONFERENCE UPDATE**
 - F. WEFTEC 2013 UPDATE**
- 11. 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
STEPHEN ROHWER, DISTRICT CONTROLLER
TAMMY GONZALES, EXECUTIVE SECRETARY/DISTRICT CLERK**

PRESIDING: **BOARD CHAIR, MIKE EMBLEY**

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1. MINUTES OF BOARD MEETING – JANUARY 16, 2013

Motion to approve the January 16, 2013, 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: John Norton, Mel Mackay, and Mike Embley.

2. MT. OLYMPUS PAYABLES

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

3. CENTRAL VALLEY PAYABLE

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

4. FINANCIAL REPORT

The Financial Report was accepted for filing by Board Members. Manager Eppich stated the financial statement provided is on a cash-basis. If the Board would like the 2012 year end accrual version it would be provided.

5. CENTRAL VALLEY REPORT – MIKE EMBLEY

Trustee Embley reported on the last Central Valley Board meeting held in January.

Board Study Session: The board study session was discussed in detail.

Financial Presentation: The financial presentation was given by Sharlene Grover. Ms. Grover addressed a question that was previously asked by Trustee Embley regarding a pup trailer. The pup trailer was purchased in 2011 but wasn't delivered until 2012 so it stayed on the 2012 capital budget when it shouldn't have. The purchase of a pressure washer was put on the line and the sale of a Peterbilt truck was also reported on this line. In the future each item will have its own capital budget line.

Manager Eppich commented that when Tom Holstrom, first started as the General Manager of Central Valley, he went through the rules and procedures to make sure they were following these correctly. One of the rules states how to fund for capital purchases. This is done by usage percentage adjusted from time to time. The problem with this is that every year the percentages change and they have to use a different depreciation percentage every year. This makes it very difficult to manage their books. They also discussed getting a consultant to go over the books. It was decided by the Board that all the managers and controllers get together and come to an agreement on how to work this out.

5. CENTRAL VALLEY REPORT – MIKE EMBLEY

Trustee Embley stated that Tom Holstrom announced he would like to hire a an assistant manager for Central Valley. It would be helpful if that individual had some financial background.

The Board then discussed in detail the aging of employees of sewer/public utilities management.

6. LEGISLATION UPDATE

Manager Eppich spoke to the Board about some of the bills the legislature is considering. We are watching and staying on top of numerous bills that could potentially affect the District.

- ***Property Tax Rate Certification Date/House Bill 86*** – this bill addresses a deadline for setting a property tax rate and related reporting requirements if the County Auditor is late in getting the information to the District.
- ***Fees for Government Records Requests/House Bill 122*** – the bill modifies a provision allowing a governmental entity to fulfill a records request without charge under certain circumstances to make it a requirement. This Bill did not pass.
- ***Fiscal Period for Political Subdivisions/House Bill 199*** – this bill requires that a local district adopt a budget for a fiscal period that begins on July 1 of each year and ends on June 30 of the following year, and provides language related to the transition of a local district calendar year entity to a fiscal year entity. This Bill did not pass.
- ***Open and Public Meetings Act Notice Amendments/House Bill 207*** – this bill: 1) increases the public notice of meetings requirement from not less than 24 hours before the public meeting to not less than 72 hours before the public meeting; 2) allows a public body to give not less than 24 hours public notice before the schedule start time of the meeting for an item that was not foreseen in time to give 72 hours public notice. This Bill did not pass.
- ***1st Substitute - Repeal of State Auditor Related Provisions/House Bill 220*** – this bill: 1) repeals the town fiscal committee and provisions requiring the committee to assist, advise, and make recommendations to the state auditor; 2) repeals the Citizens and County Officials Advisory Committee appointed by the state auditor and provisions requiring the committee to assist, advise, and make recommendations to the state auditor; 3) repeals provisions requiring the state auditor to analyze and evaluate certain county budgets; and 4) repeals provisions requiring that the Public Service Commission submit a statement of collected money to the state auditor.
- ***Impact Fees Amendments/House Bill 224*** – this bill: 1) defines terms; 2) amends provisions governing certain entities that are required to comply with an impact fee facilities plan; 3) amend provisions related to required information in an impact fee facilities plan; 4) authorizes a private entity to establish an administrative appeals procedure to consider and decide a challenge to an impact fee; 5) amends provisions governing a request for an advisory opinion on an impact fee. There are different opinions as to how this will affect the District with its newly adopted plans.

6. LEGISLATION UPDATE (CONTINUED)

- ***Senate Bill 34*** – this bill: 1) requires an election for a bond, debt, leeway, levy, or tax to take place on the first Tuesday after the first Monday in November.
- ***Senate Bill 77*** – this bill modifies provisions relating to the availability of government information; requires certain public bodies the manner and time of making minutes public; modifies a provision relating to the Utah Public Notice Website to make conforming changes.
- ***Senate Bill 190*** – this bill is the Procurement Bill that we have discussed. It will clean up many problems with the bill that was passed last year. They have fixed the two main issues that we have had with the bill. One being the timing of implementation and the other deals with the contradictions with the ethics portion of the bill.
- ***Senate Bill 200*** – this is the UASD clean-up bill
- ***Financial Reporting Amendments/House Bill 330*** – this bill: 1) modifies provisions related to subdivisions to require certification of certain financial reports; 2) enacts Political Subdivision Financial Reporting Certification, including: A) defining terms; B) requiring a specific form of certification of annual financial report by the chief administrative officer and chief financial officer; C) and providing for the designation of the chief administrative officer or chief financial officer.

7. UPDATE AND MOTION ON REQUEST FOR PROPERTY TAX RELIEF OF 5838 SHANGRI LANE

Don Telford, District Engineer spoke with the Board about what Salt Lake County Health Department said in regards to Mr. Maun Petersen's letter requesting tax relief of his property located at 5838 Shangri Lane.

The Salt Lake County Health Department stated that there was no record of anyone at their office ever having spoke with Mr. Maun and they usually don't tell anyone not to connect to the sewer. Mr. Maun's property is located within 300 feet of one of the District's main sewer lines and thus close enough to connect to the sewer. One of the District's and Salt Lake County Health Department's requirements is that any property within 300 feet of an existing sewer main line can no longer operate on a septic system and must connect to the sewer. We are willing to temporarily waive that requirement. The Board stated that taxes levied by the District are equivalent to general county taxes and therefore he needs to pay for his property taxes.

After review and discussion, motion to approve sending the letter stating Mr. Petersen has to pay his property taxes but we would be willing to temporarily waive the requirement to connect to the sewer system was made by Trustee Mel Mackay and seconded by Trustee John Norton. The motion was approved by unanimous vote, those voting in favor: John Norton, Mel Mackay, and Mike Embley.

8. DISCUSSION AND MOTION ON WATER COMPANY CONTRACT SETTELEMENT

In 2010 we signed an Agreement with ISI Water Company to evaluate our rates to make sure that all customers are being charged the correct rate. They performed their work for eight or nine months with the payment agreement that if they found changes that needed to be made, they would get 45% of the change in revenue for a three-year time period. After the eight or nine month period it was obvious to us that we needed to get the rate study done. We had them stop their work until we could complete the rate study which took about 2½ years.

Now that the studies are done and the Board decided to move forward with the rate study, their services are no longer needed. They are due some compensation for the work that they did perform. We received a letter from ISI showing what they feel their compensation is, which is about \$145,000. Manager Eppich recommends that we have the District Engineer reconcile their tickets and prorate what we feel they are due.

This item was tabled until we have time to go through the tickets.

9. DISCUSSION AND MOTION TO CHANGE THE DECEMBER BOARD MEETING DATE

This item was tabled until further notice.

10. MANAGER'S REPORT

A. PERSONNEL REVIEW (POSSIBLE CLOSED SESSION TO DISCUSS EMPLOYEE ISSUES)

Motion to move into a closed session to discuss employee issues 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.

Trustee Mike Embley stated he has directed our Manager to take some action and report back to the Board at the next board meeting. He will make an announcement at that time. He also stated we are back in session.

The following employees will reach their anniversary date in March:

Kirk Tolbert's anniversary is on March 24th. He will have been with the District for 33 years.

Kim Driffill's anniversary is on March 29th. She will have been with the District for 14 years.

Both are doing a great job.

10. MANAGER'S REPORT (CONTINUED)

B. OPERATIONS REPORT

1. UPDATE OF VAC-CON PURCHASE

Don Telford stated we have received the Vac-Con truck and are in the process of adding racks for cones, bars, and installing the radio. Very nice truck. We will sell the old truck.

C. PUMPER CLEANER EXPO UPDATE

Kerry, Don, and Ray will be attending this conference in Indianapolis. All registration and reservations have been made. The main item we will be looking at are camera systems.

D. WEF MANAGEMENT CONFERENCE UPDATE

Kerry, Don, and Stephen will be attending this conference. The main focus for us at this conference is looking at the aging of the industry.

E. WEAU ANNUAL CONFERENCE UPDATE

The conference will be held April 29 through May 4, 2013 in St. George. No one will be attending the pre-conference this year. Trustee Embley will let Manager Eppich know if he will be able to attend. Trustee Mackay will attend as well as Kerry, Don, and Ray.

F. WEFTEC 2013 UPDATE

Conference hotel reservations and conference registrations for the 2013 WEFTEC Conference are not available until April 2, 2013, so we will make the reservations at that time. We will need to know who will be attending by the next board meeting

11. INFORMATION ITEMS (NO ACTION REQUIRED)

A. CENTRAL VALLEY FLOW & LOAD REPORT

A copy of a Central Valley Flow & Load Report was provided for Board review. Manager Eppich stated flows are at approximately 13 MGD.

B. UTAH PUBLIC TREASURER'S POOL YIELD

The Utah Public Treasurer's Pool Yield for February 2013 was .64% which is slightly down from .68% in January 2013.

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

The meeting adjourned at 11:45 a.m.

Mike Embley, Board Chair