

MINUTES OF THE REGULAR MEETING OF THE BOARD OF TRUSTEES, MIDVALLEY IMPROVEMENT DISTRICT, HELD AT 160 EAST 7800 SOUTH, MIDVALE UTAH 84047 ON FEBRUARY 8, 2017 AT THE TIME OF 12:00 Noon, PRUSUANT TO NOTICE.

BOARD OF TRUSTEES PRESENT

**QUINN SPERRY - CHAIRMAN
ROBERT HALE
SONDRA SMITH**

OTHERS PRESENT

**MARK F. BELL, DISTRICT ATTORNEY
BRAD M. POWELL, DISTRICT MANAGER
CATHY KINGSBURY, OFFICE CLERK
BRENT CHRISTENSEN, CHIEF FINANCIAL OFFICER
MARC JONES, OPERATION'S SUPERVISOR**

Meeting was called to order at 12:06 PM by Chairman Quinn Sperry.

1. PUBLIC COMMENTS

No one in attendance

2. MINUTES

Upon motion made by Ms. Smith, Seconded by Mr. Hale and passed unanimously, the Board approved the minutes of the Board Meeting held on January 11, 2017 as corrected.

3. ATTORNEY REPORT

- a. Mr. Bell stated he receives weekly summaries on what is discussed during the legislative sessions. Mr. Bell ask the Trustees if they would like him to forward a copy of the summary on to them. All of the Board members ask Mr. Bell to please forward the weekly summaries to them.
- b. Mr. Bell stated when going out for quotes make sure the General Manager follows the procurement policy. When putting specifications together for the cleaning truck chassis it was recommended that the employees write down why they need a certain chassis. Mr. Bell stated if the District does not go with the state contract to be sure and document why

the District needs something different. The main interest of the District is to get the best value for the dollar spent and promote competition.

- c. Mr. Bell stated there is a decision on the motion for summary judgement concerning the Amaya litigation. Mr. Bell would like a closed meeting under item 9 on the agenda.
- d. Mr. Bell stated his four year contract with the District will expire in April and the District will need to determine how the District wants to proceed; either renew Mr. Bell's contract or go out for proposal for professional legal services. Mr. Bell had a handout which shows his firm's services ranging from \$95 to \$225 per hour. This item will be put on the March agenda.

4. GENERAL MANAGER/ENGINEERING REPORT

- a. Mr. Powell presented the cost to purchase a 2017 Ford with the quotes ranging from \$42,922-\$43,569. At February's board meeting the Board authorized the General Manger to go out to bid and purchase a 2017 Ford truck not to exceed \$45,000. Mr. Powell stated he has ordered the 2017 Ford truck for \$42,192.21.
- b. Mr. Powell stated the 2016 Ford F150 XLT is a year old and has just under 12,000 miles and request authorization to sell the truck for \$35,000-37,000.

Upon Motion made by Mr. Hale, Seconded by Ms. Smith and passed unanimously, the Board approved the sale of the silver 2016 Ford F150 XLT and directs the General Manager to get at least three quotes on a new 2017 Ford F150 Lariat and order the truck if the lowest quote is less than \$43,000.

- c. Mr. Powell stated Mr. Hale, Mr. Jones, and himself are going to Indianapolis on Thursday to look at new pumper trucks.
- d. Mr. Powell reported on the upcoming slip-lining project. Mr. Powell stated the engineers recommend the District get on an annual schedule to update the lines. The recent rate study for the District recommended that we increase the amount of slip-lining to get all of the 8-inch to 12-inch lines lined. This year, our crews have identified approximately 16,000 linear feet of concrete lines that need to be slip lined. In the past the District has allocated \$100,000/year for slip lining but Mr. Powell would like to do closer to \$300,000 of slip lining this year.

Mr. Powell would like to go out to bid for the 16,000 linear feet of slip-lining. Per the District's Procurement Policy, for construction costs greater than \$100,000, we need to seek bids from qualified contractors, versus receiving quotes from three contractors.

Mr. Powell stated to put this project out to bid, we need a regular set of bid documents including generic specification for slip-lining. Mr. Powell anticipates the cost for the documents will be approximately \$2,500 to \$5,000.

Upon Motion made by Ms. Smith, Seconded by Mr. Hale and passed unanimously, the Board approved the hiring of Horrocks Engineers to provide a complete set of bid documents for the 2017 Slip-Lining Project.

- e. Mr. Powell ask Ms. Smith and Mr. Sperry to give the District pictures to be hung up with the other Trustees. Both Board members said they would get the District pictures. Mr. Powell informed Ms. Smith and Mr. Hale he has put their bios on the District's website and if there are any changes, please let him know.
- f. Mr. Powell stated with construction in the office basically completed, he would like to change the flooring throughout the building. Different ideas suggested for flooring are: Tile down the hall and carpet in the offices or carpet throughout. Flooring Services Inc., has a Utah State contract and are located very close to the office and Mr. Powell will get a cost from them for carpet throughout.
- g. Mr. Powell wanted to remind the Board the March meeting will be the third Thursday, March 16, 2017.

5. REVIEW, APPROVE AND RATIFY CASH DISBURSEMENTS

Upon Motion made by Mr. Hale, Seconded by Ms. Smith and passed unanimously, the Board ratified the January 2017 cash disbursement for \$289,813.52 and January 2017 employee earnings for \$62,223.

6. CHIEF FINANCIAL OFFICER

- a. Mr. Christensen handed out the balance sheet as of December 31, 2016; stating the first sheet shows the District's assets and the second sheet shows the District's liabilities and equity. Mr. Christensen explained the large amount of money in the PTIF account is because the District received taxes in November and December 2016 and the amount will be used throughout the 2017 year. Mr. Christensen informed the Board the District has no debts at this time.
- b. Mr. Christensen handed out the Profit & Loss Year-to-Date Comparison to Prior Year. Mr. Christensen pointed out the sewage treatment fees went down. Impact fee also went down which was not a surprise because building has slowed down in the District.

- a. Mr. Christensen next hand out is the Profit & Loss Year-to-Date Budget vs Actual. Mr. Christensen stated the District tries to stay within budget but unexpected issues may come up and the budget may need to be opened and revised.

Mr. Christensen explained a couple of items that are under budget; South Valley Reclamation Facility billed the District less than their 2016 approved amount. South Valley also is estimating an \$118,000 refund to the District. Also, under budget is the amount of insurance costs being lower than the prior year.

Mr. Christensen stated the over budget amount is a result of the District under estimating the retirement costs from Utah Retirement Systems and under estimated the net amount of employees' unused vacation and sick time.

- b. Mr. Christensen explained the vacation and sick leave policy the District uses:

Vacation Policy: Vacation hours accrued during the fiscal year may be carried forward one fiscal year. Any unused vacation time in excess of the maximum limit will be paid at the employee's then current rate of pay in the December 15th paycheck.

Sick Policy: Full-time employees accrue medical leave at the rate of ten hours per month. Unused medical leave will accrue for a minimum of six hundred hours. Upon accrual of 600 hours of medical leave, employees will have options:

Use as time off for up to one year of annual vacation leave

Cash out hours in any portion over 600 hours

Save sick time up to a maximum of 1,200 hours

- c. Mr. Christensen explained the District's credit card internal controls. Mr. Christensen had a hand out on the process of internal controls. When Mr. Christensen receives the credit card bill he matches the receipt with the expenses on the bill. When Mr. Christensen has all of the receipts for the bill he writes a check and the check is given to the General Manager for his review, he initials bill and signs the check. After the General Manager has reviewed and signed the check the check is given to the Office Manger for her review, signature and mailed. Mr. Christensen is not a signer on checks and is never given a signed check back.

7. SUPERVISOR'S REPORT

- a. Construction is slow in the District.

8. TRUSTEES REPORT

Ms. Smith thanked administration on a great job.

Mr. Sperry stated the Moore farm (700 East 7800 South) property proposed development was voted down which was to put 60 units on the property.

9. CLOSED MEETING – 1:43 PM

Upon Motion made by Mr. Hale, Seconded by Ms. Smith and passed unanimously, the Board moved to go into a closed session to discussion pending litigation. Motion was made at 1:43 PM

Upon Motion made by Mr. Hale, Seconded by Ms. Smith to move out of the closed door meeting and back into the open meeting. Motion was made at 1:57 PM

Mr. Sperry stated during the closed door meeting the Trustees discussed pending litigation.

Adjourn Upon unanimous vote by the Board, the meeting was adjourned at 1:57 PM.