

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF TRUSTEES, MIDVALLEY IMPROVEMENT DISTRICT, HELD AT 160 EAST 7800 SOUTH, MIDVALE UTAH 84047 ON JUNE 8, 2016 AT THE TIME OF 5:30 PM, PRUSUANT TO NOTICE.**

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**BOARD OF TRUSTEES PRESENT**

**BRENT W. SMART - CHAIRMAN  
DAVID DAWES  
QUINN SPERRY**

**OTHERS PRESENT**

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

**GUEST**

**Mr. Steve Rowley – Keddington and Christensen, LLC  
Mr. Ben Bailey – Keddington & Christensen, LLC**

Meeting was called to order at 4:36 PM by Chairman Brent Smart.

**AUDIT REPORT**

Mr. Smart welcomed Mr.'s Rowley and Bailey with Keddington and Christensen, LLC to the meeting. Mr. Rowley stated Keddington & Christensen, LLC did the financial statement audit for Midvalley Improvement District for the year ending 2015. Mr. Rowley stated their job is to look over the District's financials and give their opinion to the Board.

Mr. Rowley stated there was a significant change to the financial statements, Midvalley Improvement District implemented the provisions of GASB Statement No. 68 & 71 which is related to the pension standards. The URS pension liability which has been unfunded but now the District's portion is on the District's financials.

Mr. Rowley stated in their opinion, the financial statements present fairly, in all material respects, the financial position of Midvalley Improvement District as of December 31, 2015; a clean opinion.

Mr. Rowley stated there were no problems with the District's internal controls and state compliance and a "clean opinion" was given by Mr. Rowley.

There were no audit findings and no difficulties when conducting the audit, the staff was very helpful in giving the auditors anything they asked for. Mr. Rowley stated this is one of the cleanest audits he has ever conducted.

**Upon motion** made by Mr. Dawes, Seconded by Mr. Sperry and passed unanimously, the minutes of the Board Meeting held on May 11, 2016 was approved.

Ms. Kingsbury stated the minutes of the May 11, 2016 meeting were not recorded; the recorder stopped working during the meeting. Mr. Bell suggested purchasing a backup recorder in case this happens in the future.

#### **ATTORNEY**

Mr. Bell reported the mediation with the Mr. Amaya case will continue to move forward.

Mr. Bell stated that Senate Bill 99 has gone through and it requires the District to list, on the Utah Public Website, the names, telephone numbers and email address of the three Trustees.

#### **GENERAL MANAGER/ENGINEER**

Mr. Powell reported the Jeep bid closing was May 7, 2016 at 4:00 PM and the asking price was \$34,995; the high bid was \$32,550. The Jeep was sold to the high bidder at \$32,550.

Mr. Powell stated he would like to upgrade the District's GIS Software. Mr. Powell explained the District purchased the basic version initially and it works well but doesn't have some of the editing tools that other versions have. Mr. Powell would like to have the ability to run programs from not only a desktop but an Ipad or even a smart phone could be used which is a great advantage for the District. The new software would be approximately \$20,000. Sandy Suburban is using this system and Mr. Powell will talk with Sandy Suburban and see how the system is working for them. Mr. Powell stated to make major edits, a computer license would still be necessary and the cost would be \$3,156.

**Upon Motion** made by Mr. Sperry, Seconded by Mr. Dawes and passed unanimously, to upgrade our ArcGIS Basic concurrent license to an ArcGIS Standard concurrent license for \$3,156. I further move that we direct the General Manager to gather information and get a quote to upgrade our current ArcGIS system with Spatial IM to ArcGIS On-line.

Mr. Powell requested to cancel the July 13, 2016 board meeting. Mr. Dawes stated he may need to change the date of the August 10, 2016 meeting. Mr. Dawes will let the Board know if the date will need to be changed.

**Upon Motion** made by Mr. Sperry, Seconded by Mr. Dawes and passed unanimously, to cancel the July 13, 2016 Board Meeting.

Mr. Powell stated when the sewer service rates changed in 2002 one of the District's property owners ask if his rates could stay the same because he would not be able to rent his apartments out if he raised the rent. At that time the Trustees agreed his rate would not change. Mr. Powell recommended to the Board to not allow property owners to stay at the low rate once the new rate takes effect September 1, 2016. After a discussion it was agreed upon by the Board that all property owners would pay the same amount with no exceptions.

#### **REVIEW AND APPROVE BILLS**

**Upon motion** made by Mr. Dawes, Seconded by Mr. Sperry and passed unanimously, to pay the May 7-June 8, 2016 bills for \$174,237.03 and ratify May 2016 payroll for \$56,433.

#### **CHIEF FINANCIAL OFFICER**

Mr. Christensen reported, by state law, the District is required to adopt the Certified Tax rate which is .000816.

**Upon motion** made by Sperry, Seconded by Mr. Dawes and passed unanimously, to adopt Resolution 16-06-08 establishing a Certified Tax Rate of .000816 for the purpose of levying taxes in the District for the year 2016.

Mr. Christensen stated the Utah Retirement Systems requires the District to certify the contribution rates for the retirement contributions. There was no change from last year's contribution rates.

Mr. Christensen suggested to the Board the possibility of paying off the 2013 bond now that the District will have monies coming in from the rate increases to replace the reserves. The District is receiving about 1% on their investments and paying out 2.8% on bond interest. Mr. Christensen stated the District could save approximately \$300,000 over the next 18 years if the bond was paid off now and paying off the bonds is what Mr. Christensen would recommend to the Board. Mr. Christensen stated according to the bond agreement the District has to have, in a reserve account, \$271,000 to guarantee the District has money to pay bond payments. The District is paying bond interest on the money that is set aside for reserves. The bond amount owed to date is \$1.5 million and the District has enough money in reserves to pay the bond off. The Board agreed that paying the bond off is a good idea. Mr. Bell stated he would like to look at the bond documents and let Mr. Christensen know if there are any issues

paying off the bond early. Mr. Christensen stated there is a 30 day notice which will need to be given to pay off the bond.

#### **OPERATION SUPERVISOR**

Mr. Jones stated slip-lining started today and the largest portion of the slip-lining should be complete in a week. Insituform will come back in July and complete the 12" pipe on 700 East.

**Adjourn:** 5:52 PM