

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF TRUSTEES, MIDVALLEY IMPROVEMENT DISTRICT, HELD AT 160 EAST 7800 SOUTH, MIDVALE UTAH 84047 ON MAY 16, 2018 AT THE TIME OF 4:00 PM, PRUSUANT TO NOTICE.**

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**BOARD OF TRUSTEES PRESENT**

**QUINN SPERRY - CHAIRMAN  
SONDRA SMITH  
BLAKE ROEMMICH**

**OTHERS PRESENT**

**MARK BELL, ATTORNEY  
BRAD M. POWELL, DISTRICT MANAGER  
CATHY KINGSBURY, TREASURER  
BRENT E. CHRISTENSEN, CHIEF FINANCIAL OFFICER, DISTRICT CLERK  
MARC JONES, OPERATIONS SUPERVISOR  
STEVE ROWLEY – KEDDINGTON & CHRISTENSEN, LLC  
DAVE CLARK - KEDDINGTON & CHRISTENSEN, LLC**

Meeting was called to order at 4:02 PM by Chairman Quinn Sperry.

**1. AUDITOR'S REPORT**

Mr. Sperry welcomed Mr. Rowley and Mr. Clark with Keddington and Christensen, LLC to the meeting. Mr. Rowley stated Keddington & Christensen, LLC performed the financial statement audit for Midvalley Improvement District for the year ending 2017. Mr. Clark stated their job is to look over the District's financials and give their opinion to the Board.

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

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. Clark stated this was a very clean audit.

Mr. Rowley welcomed the board to call him at any time if they have any concerns or questions.

**2. PUBLIC COMMENTS**

No one in attendance

### 3. MINUTES

**Upon motion** made by Ms. Smith, Seconded by Mr. Roemmich and passed unanimously, the Board approved the minutes of the Board Meeting held on April 11, 2018.

### 4. ATTORNEY REPORT

- a. Mr. Bell handed out the "Utah Public Officers' and Employees' Ethics Act" and stated he will do an overview today and more training in the future.

The purpose of the act is standards of conduct and where there is actual or potential conflict of interest; between public duties and your private interests.

There are two levels of regulation: General prohibitions – Criminal violations and Prohibitions – Disclosures required.

*General Prohibitions:* Standard of proof: "knowingly or intentionally violated the act" you "shall be" dismissed from employment or removed from office if knowingly violated act.

*67-16-4* Improperly disclosing or using private, controlled, or protected information – Using position to secure privileges or exemptions – Accepting employment that would impair independence of judgement or ethical performance.

*67-16-5* Accepting gift, compensation, or loan that is an "economic benefit tantamount to a gift."

*67-16-5.3* Requiring donation, payment or service to government agency in exchange for some kind of approval.

*67-16-5.6* Offering donation, payment or service to government agency in exchange for approval

*67-16-9* Conflict of interests is prohibited

*67-16-10* Inducing others to violate chapter.

Disclosures Required Remedies

Failure to disclose "unethical transactions" the agency:

Shall dismiss the officer or employee who "knowingly and intentionally violates and may rescind or void any contract without returning any part of the consideration received.

## 5. GENERAL MANAGER/ENGINEERING REPORT

- a. Update on vehicle status: Received F-150 Ford truck which was ordered in January and the F-150 truck ordered in February will be delivered June 9, 2018. Ford's supplier recently had a fire at the plant that manufactures the brackets that hold the radiator for the F-150; this may put a back order on some of the F-150's. We are looking at other options in case of a back order of trucks; one would be buying trucks on the lot at the State Contract price. Garff Ford said they could sell us any vehicle they have in stock on a State Contract.
- b. Mr. Powell stated he had the opportunity to work with South Valley Sewer District to serve on a committee to select three engineering firms to do various projects the District may have. The firms will each have a five-year contract. Mr. Powell would like the District to have one to two firms on contract and that way we would not have to go out for bid on each project.

**Upon motion** made by Mr. Roemmich, Seconded by Ms. Smith and passed unanimously, the Board authorizes the General Manager to advertise for Statement of Qualifications to select two engineering firms to provide engineering services and to enter into contracts with each for a period of 5 years.

- c. Mr. Powell stated Marc Jones has stated he will be leaving the District at the end of this year. Mr. Powell would like to plan ahead and advertise for an operator by October 2018.

Mr. Powell stated the last Impact Fee Facility Plan (IFFP) and User Fee Analysis were completed in early 2016. He feels the District needs to have both of these documents updated. The District would need to have an engineering firm selected this fall so that they could complete the studies in a timely manner.

Mr. Powell discussed the 2019 Slip-Lining Project (2019 CIPP) stating he would like to have a bid out by the end of November so we can have the contractor do the project early 2019. It would be nice to have an engineering firm in place who could provide some help with the specification.

Mr. Powell stated the 2016 IFFP identified some areas in the District that needs to be improved. They included manholes on 7500 South, a sewer line in Fair Meadows, and one or two other minor issues. Mr. Powell would like to have these projects completed as soon as possible and would need an engineering firm to do the design.

- d. Mr. Powell was in a Risk Management conference with Utah Local Governments Trust and learned a lot about response from emergency personnel after the recent hurricanes in Texas and Florida. Mr. Powell recently talked to a representative from AT&T regarding a new “First Responders” program; the District is considered “First Responders”. Mr. Powell will bring this item back to the Board after he gets pricing from AT&T.

## **6. REVIEW, APPROVE AND RATIFY CASH DISBURSEMENTS**

**Upon Motion** made by Ms. Smith, Seconded by Mr. Roemmich and passed unanimously, the Board ratified the April 2018 cash disbursements for \$875,846.82

**Upon Motion** made by Ms. Smith, Seconded by Mr. Roemmich and passed unanimously, the Board ratified the April 2018 employee earnings for \$65,450.

## **7. OFFICE REPORT**

- a. Ms. Kingsbury reported she received her 20 year award.

## **8. CHIEF FINANCIAL OFFICER’S REPORT**

- a. Mr. Christensen handed out the Balance Sheet which represents everything the District owns and owes.
- b. Mr. Christensen presented the Profit & Loss Comparison to Prior Year report for 1<sup>st</sup> Quarter 2018. The numbers are pretty close to last year and is what Mr. Christensen has anticipated. Mr. Christensen explained the “over” budget amount which is a result of the District receiving more impact fees during the current year’s budget. There are more new construction projects in the District than anticipated.
- c. The Profit & Loss – Budget vs Actual report for 1<sup>st</sup> quarter 2018 – Property tax revenue “increase” is due to receiving more property tax and motor vehicle taxes from Salt Lake County than the prior year. Another increase is the investment income and is due to the District receiving more investment income than the prior year. Increase is expected as interest rates have risen from the prior year.
- d. Mr. Christensen reported that the District is receiving between \$10,000 to \$14,000 yearly in insurance company rebates and incentive program checks. The District is participating in all insurance company programs to reduce the cost of the District’s insurance costs.

## **9. SUPERVISOR'S REPORT**

a. Mr. Jones reported on construction in the District:

- North Pines have 17 connections hooked-up
- Cottages at Lavine Farm has stopped working (560 East 8300 South)
- Revel Park (fka Olsen Subdivision) 7100 South 300 East waiting for permits from the City
- Hinton (east of North Pines – 4 lots) waiting for permits from the City
- Cottages on 7<sup>th</sup> (7575 South 700 East) 2 lots = 3 duplex and single family home
- Union Manor 1025 East (South of Family Center entrance) will tear 2 homes down

## **10. TRUSTEES REPORT**

No report

**Adjourn** Upon unanimous vote by the Board, the meeting was adjourned at 5:26 PM.