

MINUTES OF THE REGULAR MEETING OF THE BOARD OF TRUSTEES, MIDVALLEY IMPROVEMENT DISTRICT, HELD AT 160 EAST 7800 SOUTH, MIDVALE UTAH 84047 ON OCTOBER 16, 2019 AT THE TIME OF 3:00 PM, PURSUANT TO NOTICE.

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
RICK CECALA, OPERATIONS SUPERVISOR**

Meeting was called to order at 4:11 PM by Mr. Sperry.

1. PUBLIC COMMENTS

No one was in attendance from the public.

2. MINUTES

- a. **Upon motion** made by Ms. Smith, seconded by Mr. Roemmich and passed unanimously, the Board approved the minutes of the Board Meeting held on September 18, 2019 as written.

3. ATTORNEY REPORT

- a. Mr. Bell will schedule a date with Mr. Powell to conduct the ethics training with all of the District's employees.
- b. Mr. Bell reported there is an extensive GRAMA request from an individual and a response will be sent out by Monday, October 21, 2019.
- c. Mr. Bell reported the Interim Committee at the Capital is discussing impact fees; Mr. Bell stated the discussion included comparative fees and Mr. Bell will keep the Board informed of any other matters from the discussion.

4. GENERAL MANAGER REPORT

- a. Mr. Powell reported on the “old” CCTV truck (camera truck); it was advertised for sale in the Pumper Magazine, which is distributed nation-wide, Mr. Powell has had some inquiries but no offers.

- b. Mr. Powell reported Bowen Collins is working to complete the Impact Fee and User Rate Studies. In a telephone conversation with Bowen Collins; they recommended that the District raise its user rates by a minimum of 10 percent. In further conversations, Mr. Powell discussed with Bowen Collins the District has more than \$5,000,000 projected in capital expenses in the next five years, it was recommended that the increase should be higher than 10 percent to help the District replace the reserve.

Mr. Powell would recommend the increase for the User Rate be increased from \$18.20 a month to \$22.00 a month and approve a user rate schedule for increases over the next five years.

Mr. Powell and Mr. Christensen discussed replacing the reserve monies and not having to bond, since bonding ends up costing more money. Mr. Powell stated because of the multi-housing developments some of the District’s sewer lines may need to be replaced with larger lines because of the limited sewer line capacity. Mr. Powell stated he would recommend, to the public at the public hearing in November, to increase the sewer service rate to \$22.00 a month.

Mr. Powell reported on the 7200 South sewer line upgrade stating Bowen Collins is working on the project and tentatively plans to have the project 30 percent complete by the end of October. Mr. Powell will hold a meeting with Bowen Collins and Midvale City to go over the plan. In the startup meeting, the District, agreed that using pipe busting there will be many holes dug for laterals and manholes, therefore, the District should construct the new line via an open-cut process, this will save considerable amount of money.

The canal crossing is another consideration when scheduling the project.

Mr. Powell stated he received only one bid for the CIPP Lining Project, from Insituform, he has worked with Insituform in the past and they have done a great job. In the bid the project is scheduled to be complete by August 2020. Insituform informed Mr. Powell they may have a window beginning January to begin the lining project. The District will hold a pre-construction meeting with Insituform in the next few weeks and will issue a “Notice to Proceed” when they are ready to begin.

The Parking and Drive Area Project "Request for Proposal" is out and the closing of the bid is Tuesday, October 22, 2019 at 4:00 PM.

- c. Mr. Powell will conduct the employee reviews by the next Board meeting so the wage adjustments for 2020 can be finalized per the recommended wage rate increase.
- d. Mr. Powell discussed the employees wage adjustments stating that Zion's Bank has identified the cost of living adjustment (COLA) for the Salt Lake area at over three percent. On the District's Step and Grade chart, a Step increase is approximately two percent. Mr. Powell would like to recommend a 2020 wage adjustment for the employees to three percent COLA and a Step increase for a total of five percent. All the Trustees stated they believe the District has very good employees and want to stay competitive with other Districts and retain the current employees.

Upon motion made by Mr. Roemmich, Seconded by Ms. Smith and passed unanimously, the Board approved to set the 2020 wage adjustment for the employees to three percent COLA and a Step increase for a total of five percent.

5. REVIEW, APPROVE AND RATIFY CASH DISBURSEMENTS

Upon Motion made by Ms. Smith, seconded by Mr. Roemmich and passed unanimously, the Board ratified the September 2019 cash disbursements for \$161,523.98.

Upon Motion made by Ms. Smith, seconded by Mr. Roemmich and passed unanimously, the Board ratified the September 2019 employee earnings for \$69,726.

6. OFFICE REPORT

- a. Ms. Kingsbury reported a meeting of the Trustees will need to be scheduled for November 19, 2019 to canvass the election votes. The meeting will need to be scheduled after 4:00 PM to assure Salt Lake County has the results of the election.
- b. Mr. Powell recommended having the November Board meeting on the 19th also. The Board meeting would start at 5:00 PM, with the first item being Canvass of the votes followed by the regular November Board meeting. There will also be a public hearing at 6:00 PM to go over the sewer service rate increase.

Upon Motion made by Mr. Roemmich, Seconded by Ms. Smith and passed unanimously, the board approved to move the November 13, 2019 meeting to November 19, 2019 at 5:00 PM with the Public Hearing beginning at 6:00 PM.

7. CHIEF FINANCIAL OFFICER'S REPORT

Mr. Christensen handed out a copy of the District's 2020 Tentative Budget. Mr. Christensen explained the projected 2020 budget is based on the proposed sewer service rate increase at \$22. The actual dollar amount for proposed service rate increase will not be official until after the public hearing held on November 19th.

Mr. Christensen explained the sewer treatment plant expense is projected to go down \$84,000 but the District does not have any control over the actual amount. The salary and wages line item will go down by \$14,000. This is because an employee retired in 2019 and an early retirement incentive amount was paid to the employee, the District will not have that expense in 2020.

Mr. Christensen stated employee benefits will increase very little from 2019. Mr. Christensen explained repair and maintenance is budgeted to go up about \$845,000 because there was no pipe lining in 2019 and we will do more lining in 2020 at the cost of approximately \$625,000.

Mr. Christensen stated the District's impact fee revenues should go up from 2019 as there is more construction in the District. Property taxes will be up slightly, due to new growth.

Mr. Christensen explained a "tentative" budget will need to be adopted today and he will bring an updated proposed final 2020 budget to the Board meeting in November for final approval.

Mr. Christensen stated if the 2019 budget needs to be amended he will have a motion on the December agenda.

Upon Motion made by Ms. Smith, Seconded by Mr. Roemmich and passed unanimously, the board approved to adopt the 2020 Tentative Budget.

8. SUPERVISOR'S REPORT

Mr. Cecala reported construction in the District is moving along well. Mr. Cecala stated there are a few projects added since last meeting: The Gables off 700 East (the District located sewer lines and manhole for owner) 11 units, the elementary school will fix their damaged sewer line beginning October 17th and 6778 South 700 East has starting testing.

9. TRUSTEE REPORT

No Trustee items were presented.

Adjourn Upon unanimous vote by the Board, the meeting was adjourned at 5:05 PM. The next Board meeting will be **November 19, 2019 (Tuesday) at 5:00 PM and a Public Hearing at 6:00 PM.**