

**MINUTES OF THE ELECTRONIC MEETING OF THE BOARD OF TRUSTEES, MIDVALLEY IMPROVEMENT DISTRICT, HELD AT 160 EAST 7800 SOUTH, MIDVALE UTAH 84047 ON AUGUST 18, 2021 AT THE TIME OF 4:00 PM, PRUSUANT TO NOTICE.**

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**BOARD OF TRUSTEES PRESENT**

**SONDRA SMITH – CHAIR (EXCUSED)  
BLAKE ROEMMICH – VICE-CHAIR  
RONALD SPERRY - TRUSTEE**

**OTHER PRESENT**

**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 4:01 PM by Acting Chair Mr. Roemmich.

It should be noted the recorder for the August 18, 2021 malfunctioned and the meeting was not recorded.

**1. PUBLIC COMMENTS/CERMONIES/PRESENTATION**

- a. No one in attendance.

**2. MINUTES – APPROVAL**

- a. **Upon motion** made by Mr. Sperry, seconded by Mr. Roemmich and passed unanimously, the Board accepted the June 9, 2021 minutes as written. It should be noted there was not a July meeting.

**3. ATTORNEY REPORT**

- a. Mr. Bell was not in attendance for this meeting.

**4. GENERAL MANAGER/ENGINEERING REPORT**

- a. Vehicle Status: Mr. Powell reported the District has one Ford F150 vehicle on order and should arrive the first week in October. The cost of the new vehicle will be \$59,555.

On August 16, 2021 Mr. Powell advertised the 2020 Silver Lariat F150 on KSL for \$53,500 and sold it April 18, 2021 for the full asking price.

Mr. Powell explained that before the pandemic it generally took 8 weeks from the time the new F150 is ordered to delivery; it is now taking 6 months or longer to receive the vehicle. Mr. Powell would like to plan ahead and order the replacement for the 2021 Silver Platinum F150 and the 2021 Silver Lariat F150. In place of one of the vehicles, Mr.

Powell would like the Boards approval to order a Ford Super Duty F350 truck. Mr. Powell requested quotes from five dealers for the F350 but received only two quotes back with the lowest quote being \$67,910. The projected build date for the F350 is the third week of May 2022.

Mr. Powell informed the Board the cost of F150 Ford trucks has risen to \$60,000 or greater and therefore would like the Boards approval to raise the value for which he can order vehicles without coming to the Board for each purchase.

**Upon motion** made by Mr. Roemmich, seconded by Mr. Sperry and passed unanimously, the Board authorized the General Manager to purchase vehicles in value up to \$70,000 without specific Board approval.

- b. Site Improvements: Mr. Powell stated the Site Improvement Project has been substantially complete since the end of June; there are minor punch-list items that will need to be taken care.
- c. Dump Station Issues: Mr. Powell informed the Board he had received an email from one of the District's citizens stating he had witnessed a man coming in after hours and filling up a large tank with water from the dump station water hose. Mr. Powell reviewed the video of July 13, 2021 and witnessed a large tank and the driver filling the tank up with water. Mr. Powell happened to come by the District office on a Saturday and saw the individual filling up his water tank. Mr. Powell informed the individual that what he was doing was stealing water from the District as the District pays the water bill. The person left and we have not seen him since.

The surveillance video cameras take relatively good pictures but the resolution is not good enough to read license plates. Mr. Powell is working with Peak Alarm to find a higher resolution camera that will help to read license plate numbers.

- d. Internal Network Status: Mr. Powell updated the Board on the District's two servers stating they are both relatively old, one being over 9 years. On July 14, 2021, the District's network went down. Mr. Lalli (the District's IT person) was able to get the network back up in "limp mode" and Mr. Lalli informed Mr. Powell that the network, as it is, will not handle the size of the internal storage the District has and the District should add new storage, preferably in the form of a storage area network (SAN). With a new SAN we would keep our existing file servers and they would essentially become application servers without the internal storage.

The SAN, which Mr. Lalli has suggested to purchase, would contain 10-12 terabytes of storage. It will be configured in a RAID (redundant array of independent drives) which, if one of the drives goes bad, it could be replaced without shutting the system down.

Mr. Lalli informed Mr. Powell that purchase of additional storage is critical and needs to be purchased as soon as possible. Several weeks ago, Mr. Powell called Ms. Smith, the Trustee Chair, asked her permission to go ahead with the purchase and bring this item to the August meeting for ratification.

**Upon motion** made by Mr. Sperry, seconded by Mr. Roemmich and passed unanimously, the Board ratified the purchase of the SAN from VLCM in the amount of \$15,221.82.

- e. Manhole Rehabilitation: Mr. Powell stated in the past several years the District has rehabilitated many miles of pipe line, especially concrete pipe lines. However, we have never rehabilitated manholes.

We have tested our manholes and found they deteriorate the same as the concrete pipe because of hydrogen sulfide. The hydrogen sulfide is a very toxic gas that turns to sulfuric acid when it comes in contact with solids. VCP (vitrified clay pipe) and PVS pipe are immune to the acid but concrete deteriorates.

We contacted two firms who have lined our pipes in the past that also do manhole rehabilitation and gave them a minimum specification and asked for quotes to rehabilitate 10 manholes.

After reviewing the quotes, it was determined that only one of the firms gave a complete bid.

Mr. Powell has complied with the requirements of the District's Procurement Policy and would like to award the Manhole Rehabilitation Project to C&L and give them a Notice to Proceed.

**Upon motion** made by Mr. Roemmich, seconded by Mr. Sperry and passed unanimously, the Board approved to award the Manhole Rehabilitation Project to C&L in the amount of \$118,895.

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

Mr. Sperry questioned whether a separate Employees Earnings Report needs to be approved at the monthly meetings. Mr. Sperry stated the Employees Earnings is on the Cash Disbursement Report and he would like to see the Employees Earnings Report discontinued. Mr. Christensen, Chief Financial Officer, informed the Board that the Board reviews and approves the employees earning every year during the budgeting process, and the employees are paid according to the approved schedule. After a brief discussion, the Trustees agreed there does not need to be a separate report for the employee's earnings.

- a. **Upon Motion** made by Mr. Sperry, seconded by Mr. Roemmich and passed unanimously, the Board ratified the June 2021 cash disbursements for \$524,873.83.
- b. **Upon Motion** made by Mr. Sperry, seconded by Mr. Roemmich and passed unanimously, the Board ratified the July 2021 cash disbursements for \$311,233.

## 6. OFFICE REPORT

- a. No Report

## 7. CHIEF FINANCIAL OFFICER REPORT

- a. Mr. Christensen reported on the Balance Sheet Report for June 30, 2021. He pointed out that during the past year the saving account balance has dropped \$574,442 and the investment account balance has dropped \$254,363. These funds were spent on the parking lot project and to pay the District's share of construction at the treatment plant. The funds paid to the treatment plant are recorded as Prepaid Disposal Plant Operations, an asset account, and will be amortized (expensed) over 20 years as operational expenses.
- b. Mr. Christensen presented the Profit & Loss – Comparison to Prior Year Report for the 2<sup>nd</sup> Quarter 2021. Mr. Christensen stated that there were no surprises. The largest difference was in the Repairs and Maintenance account which has decreased by \$638,856. The decrease was expected as the District did not have pipe-lining costs this year and had pipe-lining costs in the prior year of \$633,144.

Mr. Christensen stated that impact fee revenue is down \$219,655 from the prior year. In the prior year, there was a large apartment complex that paid \$211,850 in impact fees and there have been no large multi-housing projects in the current year.

Mr. Christensen reported the interest income revenue has decreased due to the District spending a lot of money on construction projects, therefore, the investment account balances are smaller than the prior year and interest rates have dropped from the prior year.

- c. Mr. Christensen presented the Profit & Loss – Budget to Actual report for the 2<sup>nd</sup> second quarter 2021. He pointed out that in the operating expenses, the only major expense not in line with the budget was the Legal and Accounting Services expense which was \$27,117 below budget as the District has not incurred the level of legal expenses that were budgeted. He also pointed out that the Impact Fee Income and Interest Income was lower than was budgeted.

## **8. SUPERVISOR'S REPORT**

- a. Mr. Cecala reported construction in the District is going well but building has slowed due to the contractors having trouble getting their materials.

Mr. Powell reported there is talk of 350 units going in on Center Street where the old Safeway was located. Mr. Powell has not seen plans for this project.

## **9. TRUSTEES**

## **10. CLOSED MEETING**

- a. No Closed Meeting

**ADJOURN:** Upon unanimous vote by the Board, the meeting was adjourned at 4:45 PM. The next Board meeting is September 8, 2021 at Noon.