

MINUTES OF THE REGULAR BOARD MEETING  
OF THE BOARD OF TRUSTEES  
COTTONWOOD IMPROVEMENT DISTRICT

DATE: February 12, 2020  
PLACE : Cottonwood Improvement District Office  
TIME: 3:00 P.M.

PRESENT:  
Wesley Fisher, Chairman  
Kim Galbraith, Trustee  
Mark Katter, Trustee  
Greg Neff, General Manager/Engineer  
Lonn Rasmussen, Assistant General Manager/Operations Supervisor  
Spencer Evans, Chief Financial Officer  
Jeremy Cook, Attorney for the District  
Jami Phillips, Board Secretary

Public: A list of public in attendance is attached to and thereby made part of these minutes.

At 3:00 p.m., Wesley Fisher called the meeting to order.

The Pledge of Allegiance was recited.

AGENDA:

ITEM 1: APPROVE MINUTES OF THE JANUARY 15, 2020 BOARD MEETING

No corrections were made to the minutes. A motion was made "to approve the minutes of the Regular Board Meeting held on January 15, 2020."

MOTION BY: Kim Galbraith  
SECOND BY: Mark Katter  
FOR: Kim Galbraith, Mark Katter, Wesley Fisher  
AGAINST: None

ITEM 2: PUBLIC COMMENT

None.

ITEM 3: FINANCIAL INFORMATION

(A) DISBURSEMENTS

Chairman Fisher asked how often the office is cleaned. The District pays a monthly fee for the Sandy office building to be cleaned daily. The Disbursements report was provided to the Board for their review. A motion was made "to approve and ratify the December disbursements."

MOTION BY: Mark Katter

SECOND BY: Kim Galbraith  
FOR: Mark Katter, Kim Galbraith, Wesley Fisher  
AGAINST: None

(B) FINANCIAL STATEMENTS

Copies of the unaudited financial statements as of January 31, 2020 were provided to the Board for their review. Chairman Fisher pointed out the "Net Income Loss" line item. Spencer Evans explained the January, 2020 loss is primarily due to CVWRF and District annual expenses, such as liability insurance and UASD dues, which are paid in January.

Chairman Fisher asked if there are any trends that the District should consider. Spencer said the percentage used column on the Budget vs Actual summary is important to look at and will indicate if the District is starting to go over budget. Mark Katter said he uses the cash reserves as a comparison barometer. Spencer noted that the District started paying on the CVWRF's 2019 bond in the fourth quarter of last year.

ITEM 4: CENTRAL VALLEY WATER RECLAMATION FACILITY UPDATE

Kim Galbraith handed out a CVWRF memorandum on the Headworks and 3W Projects Contracts Cost Savings Summary. Kim reminded the Board of the discussion in the January 15<sup>th</sup> Board meeting regarding the bids received for the two big projects that came in 28 to 29 percent higher than the project estimate. Kim said the important thing was the approval/concern over the awarding of these two large contracts. The higher bids appear to be driven by the current high volume demand in the construction market. Looking at the bid, there was a concern that the method that was used to price out technical products was very high on a lot of those cost. After a fair amount of discussion, the two bids were approved up to and no greater than the amount of their bids. Direction was given to CVWRF's management to work with Brown and Coldwell to determine where to find some cost savings in those projects. It is assumed that some specification revisions will save around \$500 thousand on both projects.

There was a closed meeting session to discuss CVWRF's security system, i.e., physical, safety, as well as technology.

A strategy work session is scheduled prior to February's regular board meeting.

ITEM 5: MUNICIPAL WASTEWATER PLANNING PROGRAM – ANNUAL REPORT

Greg Neff discussed a few highlights in the report. There was some discussion regarding the District impact fee study and capital facilities plan and projects, including the agreement between the District and Service Area No 3 and any options in the agreement in terms of growth capacity issues and costs responsibilities that will need to be addressed at some point in the future. As approved by the Board in the 2020 Budget, the District will do an impact fee study this year and the canyon issue will be part of the capital facilities plan. District revenues and reserves outlined in the report were also discussed. During the course of the discussion, it was discovered that the number of new residential and commercial connections had been transposed and the report would need to be updated. A motion was made "to approve Cottonwood Improvement District's 2019 Municipal Wastewater Planning Program Annual Self-Assessment Report subject to a number correction made to the commercial and residential new development answer". A copy of the corrected CID's Municipal Wastewater Planning Program Annual Self-Assessment Report is attached to and thereby made part of these minutes.

MOTION BY: Kim Galbraith  
SECOND BY: Mark Katter  
FOR: Kim Galbraith, Mark Katter, Wesley Fisher  
AGAINST: None

ITEM 6: MANAGEMENT REPORT

Greg Neff prepared a PowerPoint presentation to educate the Board about the District's four lift stations. He showed pictures, along with some information regarding the gallons of flow per day, pipe size and their locations. The four lift stations are 13<sup>th</sup> East, Ereksom, Confluence Ave, and Dimple Dell.

Greg gave the Board some history on the District's Sandy office landscaping and explained insect and disease issues the District is having with some of the pine trees. Treatments by an arborist have been scheduled for the spring.

ITEM 7: BOARD REPORT

Kim Galbraith said CVWRF had some discussion regarding "Toilets Are Not Trash Cans" campaign. A \$150,000 funding request was made to the Utah legislative committee to educate the public. There was an article on KSL News.

Chairman Fisher asked Greg Neff his highest concerns for the District other than CVWRF financing. Greg explained his three main concerns. His first is employee morale and trying to make the employees feel appreciated in an underappreciated industry. The employees need to perform well for the District to perform well. Second is financing. Third is meeting capacity requirements and keeping the District lines clean to avoid backups. Kim Galbraith asked about the age of the District infrastructure being a concern. Greg discussed the types of piping, i.e., plastic, concrete and clay and some of the known piping issues. The District monitors the condition of the pipes through TV inspections on a yearly basis and some older pipes more frequently. The majority of deteriorating concrete pipes can be lined, which is cost savings. The District budgets for those kind of repairs.

ITEM 8: INFORMATION ITEMS

- (A) CENTRAL VALLEY ESTIMATED COSTS
- (B) GRATEFUL LETTER FROM DISTRICT PATRON

ITEM 9: CLOSED SESSION TO DISCUSS LITIGATION

Jeremy Cook told the Board there was nothing to report on this matter for this meeting. He will update the Board at next month's meeting.

At 4:19 p.m., a motion was made "to adjourn the regular Board meeting."

MOTION BY" Mark Katter  
SECOND BY: Kim Galbraith  
FOR: Mark Katter, Kim Galbraith, Wesley Fisher  
AGAINST: None

PREPARED BY: Jami Phillips, Secretary