

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

DATE: April 17, 2019
PLACE : Cottonwood Improvement District Office
TIME: 3:00 P.M.

PRESENT:
Wesley Fisher, Trustee
Kim Galbraith, Trustee
Greg Neff, General Manager/Engineer
Lonn Rasmussen, Assistant General Manager/Operations Supervisor
Jeremy Cook, Attorney for the District
Jami Phillips, Board Secretary

Mark Katter, Chairman, and Spencer Evans, Chief Financial Officer, are unable to attend.

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

At 3:00 p.m., Kim Galbraith called the meeting to order.

The Pledge of Allegiance was recited.

AGENDA:

ITEM 1: APPROVE MINUTES OF THE March 20, 2019 BOARD MEETING

No corrections were made to the minutes. A motion was made "to approve the minutes of the Regular Board Meeting held on March 20, 2019."

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

ITEM 2: PUBLIC COMMENT

None.

ITEM 3: FINANCIAL INFORMATION

(A) DISBURSEMENTS

After review and discussion, a motion was made "to approve and ratify the March disbursements."

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

(B) FINANCIAL STATEMENTS

Copies of the unaudited financial statements as of March 31, 2019 were provided to the Board for their review.

(C) SET 2018 DESIGNATED NET ASSETS

The Board was in possession of the proposed designation of unrestricted net position. A motion was made "that December 31, 2018 unrestricted net position in excess of the District's carrying value of the investment in CVWRF be designated for District and CVWRF capital projects."

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

ITEM 4: MURRAY CITY ACME CHANGE ORDER – COST SHARING PROPOSAL

Greg Neff reported that Murray City was required by UDOT to replace a bridge/box culvert located on 6400 South. When it was removed, Murray City's contractor, ACME Construction, tore out the District's sewer mainline and caused a back-up, which was discussed in the February Board meeting. ACME Construction replaced the District's broken sewer mainline. In working with Murray City, and their contractor, Salt Lake City Public Utilities, who owns the canal had some additional requirements. It was required that the replacement of the approximate 60 ft. of 10" plastic pipe be installed in an 18" steel casing. Because Cottonwood received some betterment and got a new sewer line under the conduit installed in casing, Murray City has requested that the District split the cost of this change order. Management has looked over the amounts and the charges and think they look reasonable and fair in accordance with Murray City's contract. Wesley Fisher asked Greg some questions regarding the size and location and if it was inspected. Greg reported that a District inspector was there during the installation and everything was inspected. A motion was made "to approve payment of one-half of the \$44,547.61 change order (to Murray City)."

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

ITEM 5: CENTRAL VALLEY WATER RECLAMATION FACILITY UPDATE

Greg Neff reported that CVWRF had a public hearing regarding the issuance of the bonds, which was approved. The expected bond amount is to be around \$37 million. There was one public attendee; however, there was no public comment.

CVWRF had a clean audit report for 2018. There were no negative opinions or problems. The financial statements met all of the state compliance requirements. There were no deficiencies in the internal controls found. There were no misstatements or disagreements with management. Kim Galbraith asked who did CVWRF's audit. The audit firm is Keddington & Christensen who is also doing the District's audit this year.

Greg reported that there was some discussion regarding CVWRF's employee retirement investment funds. The funds are doing well and the employee participation is good.

A small part of a video was shown. Random Acts, a BYUTV production, filmed a movie segment in Central Valley's tunnels.

Greg reported that there were updates on some of the construction projects: The contractor doing the rehab work and slip lining broke a sewer lateral causing a small back-up in a home. The broken lateral wasn't realized until later. The contractor came back and repaired the broken lateral.

Some concrete walls are being poured for the new power-gen tunnel extension. Design is being worked on for the side stream treatment, which is one of the last pieces to the full-nutrient removal design. It is anticipated to be completed and go out for bid sometime in the fall. CVWRF has to have the nutrient removal done and working by 2025 and meet the 1 ppm phosphorus limit. The south interconnect project was approved and awarded. It's a pipeline that connects several parts of CVWRF to keep the plant running. It will help with the phasing of the construction as it's necessary to divert some of the pipelines that will be out of service and others that are demolished. An equipment storage building addition was approved; the existing building is not big enough to house the new equipment.

Phil Heck was appointed the new CVWRF's General Manager.

ITEM 6: MANAGEMENT REPORT

Greg Neff reported on the 2019 WEAU Operators Challenge Annual Conference held April 9 through 12, in St. George Utah. The District had a five-man team participate. The team received the Sportsmanship Award and placed in the following categories: 1st Place in Maintenance, 2nd Place in Collection System, 2nd Place in Safety, 3rd Place in Laboratory, 3rd Place Overall Challenge. Steve Desmarais received an award for 2018 Outstanding Supervisor. Jonathan Gubler received an award for Outstanding Collections Operator Over 5MGD. Lonn Rasmussen received Recognition of Outstanding Service to the Member Association and the Water Environment Federation as a delegate for 2015 – 2018.

(A) Things Not to Flush – Website

Greg Neff said on the Granger Hunter Improvement District website there is a F.O.G. brochure pdf file (fats, oils, and grease). Important information is listed regarding a homeowner's sewer, i.e., who's responsible for maintenance/repair on what section of a sewer line. Items that should never be flushed and tips to avoid back-ups and overflows, etc. Greg said the company that did the pdf file could do one with CID logos for the District website and/or for print at a very minimal cost. Wesley Fisher thinks this is important and helpful information. Cottonwood's website has a link to CVWRF's webpage regarding "What Not to Flush" with information on things that shouldn't be flushed down toilets and the reasons why. Wesley Fisher and Kim Galbraith like the F.O.G. brochure and would like management to have some brochures made available for the District's patrons and to post on the District website.

ITEM 7: BOARD REPORT

Wesley Fisher asked about the upcoming health insurance renewal. Greg Neff said open enrollment is in June. Spencer Evans and Greg have been working on putting together a table listing some of the different information options for the Board's review. Greg reported that the PEHP premium increase for this upcoming year is around two percent.

Kim Galbraith asked if the agenda board book information can be posted on the District's website as it becomes available to the Board members. Jeremy Cook stated the Open and Public Meeting Act only requires the agenda to be posted. Jeremy's concern is the information could potentially change between the posting and the actual meeting. Greg Neff said sometimes additional information on an item is received after the fact and is passed out at the meeting. The information could be available on the board room TV screen during the meeting for viewing by any public attendance. If the information is posted, a disclaimer should be attached regarding possible changes. After some discussion, it was decided to table this matter for the May Board meeting to include Chairman, Mark Katter, in this decision who is not at today's meeting. Jeremy will get more information to see if other districts and cities do this and if there are any potential issues or concerns.

ITEM 8: INFORMATION ITEMS

- (A) UTAH LOCAL GOVERNMENTS TRUST - 2018 TRUST ACCOUNTABILITY PROGRAM (TAP) AWARD FOR \$3,070.50.**
- (B) PUBLIC UTILITY EASEMENT ENCROACHMENT BY PROPERTY OWNER – LOT 8, OAKWOOD ESTATES SUBDIVISION (8057 S. MAIO DRIVE).**

- (C) PUBLIC UTILITY EASEMENT ENCROACHMENT BY PROPERTY OWNER – LOT 213, ALTA CANYON VILLAGE, PHASE II SUBDIVISION (9226-S. STONE RIDGE CIRCLE).
- (D) SANDY CITY COMMUNITY DEVELOPMENT – NOTICE OF INTENT TO AMEND THE LAND USE DEVELOPMENT CODE, AMEND TITLE 15A, CHPTR 11-02, ACCESSORY STRUCTURES.
- (E) SANDY CITY COMMUNITY DEVELOPMENT – NOTICE OF INTENT TO AMEND THE LAND USE DEVELOPMENT CODE, AMEND TITLE 15A, CHPTR 19-03, SD-MU MIXED USE.
- (F) SANDY CITY COMMUNITY DEVELOPMENT – NOTICE OF INTENT AND PUBLIC HEARING, PROPOSED AMENDMENT TO THE TRAILS MASTER PLAN OF THE SANDY CITY GENERAL PLAN.
- (G) MIDVALE CITY PUBLIC HEARING – PROPOSED TEXT AMENDMENT TO MODIFY THE MAXIMUM BUILDING HEIGHT STANDARDS.
- (H) MIDVALE CITY PUBLIC HEARING – PROPOSED TEXT AMENDMENT TO MODIFY THE OUTDOOR LIGHTING STANDARDS CITY-WIDE.

ITEM 9: CLOSED SESSION TO DISCUSS ONGOING LITIGATION

A motion was made "to move into a closed session to discuss pending imminent litigation."

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

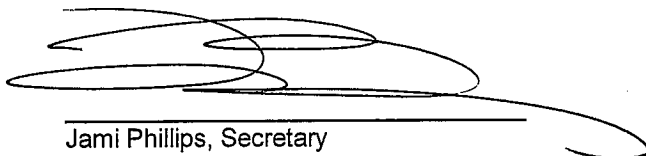
A motion was made "to move from the closed session back into the regular Board meeting."

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

At 4:17 p.m., a motion was made "to adjourn the regular Board meeting."

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

PREPARED BY:



Jami Phillips, Secretary