

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

DATE: July 18, 2018
PLACE : Cottonwood Improvement District Office
TIME: 3:00 P.M.

PRESENT:
Wesley Fisher, Trustee
Kim R. Galbraith, 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.

Mark Katter was unable to attend.

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 JUNE 20, 2018 REGULAR BOARD MEETING

A correction was made to the first motion of Item 7, to reflect a second motion by Wesley Fisher. A motion was made "to approve the minutes of the Regular Board Meeting held on June 20, 2018 with the first motion correction to Item 7."

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

ITEM 2: PUBLIC COMMENT

None.

ITEM 3: FINANCIAL INFORMATION

(A) DISBURSEMENTS

The disbursement list is attached to and thereby made part of these minutes. A motion was made "to approve and ratify the disbursements."

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

(B) FINANCIAL STATEMENTS

The unaudited financial statements as of June 30, 2018 are attached to and thereby made part of these minutes.

ITEM 4: UTAH LOCAL GOVERNMENTS TRUST TAP AWARD – PRESENTATION BY DOUG FOLSOM

Doug Folsom was in attendance to make a presentation to the Board for a plaque that the District recently received from the Trust for the 2017 TAP Safety Program. This is the third year in a row that Cottonwood Improvement District has received this award. Doug explained there are benefits to receiving this award including Workers Compensation premium discounts and cash awards, which the District has already received.

ITEM 5: PROPOSED PURCHASE OF DISTRICT PROPERTY BY SLCO FOR VOA HOUSING UNITS – UPDATE

Derrick Sorensen, with Salt Lake County and Kathy Bray, CEO for Volunteers of America (VOA) were in attendance. Salt Lake County wants to purchase 2.0 acres of District property located at 685 West 4170 South for women and children housing. Salt Lake County gave the District the original offer given based off of the first appraisal done by SLCO appraiser valuing the property at \$5.00 per sq.ft. The second appraisal ordered by the District valued the property at \$6.85 per sq. ft. Greg Neff stated that Steve Regan Company, who currently leases property from the District at this site, expressed interest in purchasing this property for the \$6.85 appraised value. Derrick asked the Board to consider accepting SLCO's initial offer or to present SLCO with a written counter offer. Jeremy Cook recommended the Board go into a closed session to discuss the property purchase. This Item was tabled until the end of Board meeting to discuss this property sale in a closed session.

ITEM 6: PROPOSED LEASE OF DISTRICT SHOP PROPERTY BY WADSWORTH CONSTRUCTION FOR 1-215 CONSTRUCTION WORK

Wadsworth Construction previously asked to lease District property located east of the Murray Shop, 4170 South 500 West, for a staging area. Instructed by the Board, the District had a ground lease value appraisal done. Greg Neff said he spoke with Wadsworth Construction and was told that Murray City will not allow Wadsworth to operate a temporary batch plant at this location. Wadsworth may still want to lease this property for staging and equipment storage and will get back with Greg regarding the lease. Greg said they are still in the planning stages. Greg will talk with Wadsworth again and perhaps call Murray City if necessary to help facilitate the property use of the lease. A copy of the Appraisal Report Draft is attached to and thereby made part of these minutes.

ITEM 7: AUDITOR PROPOSALS
(A) REVIEW AND STAFF RECOMMENDATION
(B) AUDITOR SELECTION

Spencer Evans handed out an Auditor Selection Summary to accompany the two proposals included in July's Board book. The District put out a request for proposal (RFP) for financial audit services. Three firms with experience auditing local districts were invited to submit proposals: Keddington and Christensen, Osborne, Robbins & Buhler and Huber, Erickson & Bowman (HEB). No proposal was received from HEB. Keddington and Christensen's proposal was the lowest and has more relevant clients. Management recommends accepting Keddington and Christensen's financial audit

services proposal. A motion was made "to accept Keddington and Christensen's financial audit for the District for the year 2018 with the option to renew for five years. A copy of the Auditor Selection Summary, along with the two proposals are attached to and thereby made part of these minutes.

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

ITEM 8: DIMPLE DELL LIFT STATION REPLACEMENT UPDATE

The District replaced the Dimple Dell lift station. This project was approved by the Board last year. To save money and ensure the project would be done to the District's standards, the project was performed by District personnel instead of being bid to a contractor. Greg Neff said the employees of the maintenance facility, supervised by Steve Desmarais, did a fantastic job.

ITEM 9: CENTRAL VALLEY WATER RECLAMATION FACILITY UPDATE

Spencer Evans said CVWRF's Board awarded bids on three major items, 1) Headworks Back-up Generator. 2) Co-Gen Tunnel Extension. 3) Installation of Main Switch Gear – Power-Gen Building.

The 2019 Budget Meeting Public Hearing time was set and is scheduled for October 10, 2018 at 6:00 p.m.

The Purchasing Policy was adopted.

A Resolution was passed authorizing access and transaction authority with PTIF Accounts to the State Treasurer's office.

The amendments to the Interlocal Agreement were approved; however, Greg Neff said since the meeting, there are additional changes and it should be ready for Board approval by Central Valley's August Board meeting. Once the amendments are approved, each Board member from the seven entities will take the agreement back for discussion and approval from their Board. It will then be voted on by CVWRF's Board for the final amendment approval.

A meeting date was set for reviewing the Drug & Alcohol Policies of CVWRF's Employee Handbook.

The District's Board and management discussed projections, rates and the benefits of State bonds.

ITEM 10: MANAGEMENT REPORT

Greg Neff discussed with the Board an option to have an iPad for each Board member for the Board book rather than paper books. Greg said after a couple of years, they will pay for themselves. Wesley Fisher and Kim Galbraith said they can go either way. This item was tabled until the next Board meeting to get Mark Katter's input.

ITEM 11: BOARD REPORT

None.

ITEM 12: INFORMATION ITEMS
(A) DISTRICT SUMMER PARTY.

- (B) SANDY CITY COMMUNITY DEVELOPMENT – NOTICE OF INTENT TO AMEND THE LAND USE DEVELOPMENT CODE & REZONE SPECIFIC PROPERTY.
- (C) MURRAY CITY CORPORATION – NOTICE OF PUBLIC MEETING – CONDITIONAL USE PERMIT TO ALLOW FOR A WOOD SCRAPING BUSINESS LOCATED AT 4195 SOUTH 500 WEST, #2.

ITEM 13: CLOSED SESSION – GENERAL MANAGER’S ANNUAL EVALUATION

At 4:28 p.m., a motion was made “to move into a closed session for the purpose of discussing Item 5, the sale of property owned by the District and for Item 13, the General Manager’s annual review.”

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

A motion was made “to reconvene in an open session.”

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

A motion was made “to instruct Jeremy Cook and staff to make a counter offer to Salt Lake County for the purchase of District property under the terms discussed in the closed session.”

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

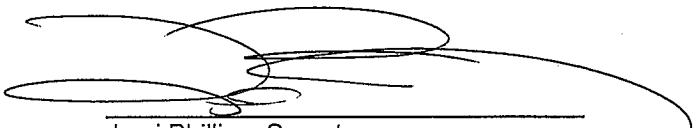
A motion was made “to award the General Manager, Greg Neff, a 2% merit increase in accordance with District policy.”

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

At 5:43 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