

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

DATE: September 18, 2019
PLACE : Cottonwood Improvement District Office
TIME: 6:00 P.M.

PRESENT:
Mark Katter, Chairman
Wesley Fisher, Trustee
Kim 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.

At 6:00 p.m., Mark Katter called the meeting to order.

The Pledge of Allegiance was recited.

AGENDA:

ITEM 1: APPROVE MINUTES OF THE AUGUST 21, 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 August 21, 2019."

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

Spencer Evans followed up on a question Wesley Fisher asked at last month's meeting regarding CVWRF's overtime hours.

ITEM 2: PUBLIC COMMENT

Bruce Blanchard of 8802 Shady Meadow Drive gave some information about Granger-Hunter Improvement District that he thinks is great and information about CVWRF's 2020 preliminary draft budget.

Dan Kooyman at 1979 Viscounti Cove thanked the Board for the information handouts and having the meeting at 6p.m.

ITEM 3: FINANCIAL INFORMATION

(A) DISBURSEMENTS

Disbursements report was provided to the Board for their review. After review and discussion, a motion was made "to approve and ratify the August disbursements."

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

(B) FINANCIAL STATEMENTS

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

Chairman Katter asked if the District's \$4 million investment is a current or non-current asset. Spencer Evans said part of it will be long-term and part of it will be current; it's composed of some securities that go out beyond a year, which is the cut-off mark.

Wesley Fisher made a District revenue comparison on impact fees and noted that this year is lower than last year. Spencer Evans said the impact fees are driven purely on District development; there was a lot of multi-family development in 2017 and 2018. Wesley asked if management foresees any large development in the District for next year. Greg Neff said the Canyon Centre has a hotel and an office building planned, but doesn't know when the impact fees will be paid. There is a developer with ambitious development plans for the north end of the gravel pit above Wasatch Blvd. However, Greg doesn't think the developer will be ready to proceed with that project until 2022 or later; the District will probably have some capital expenditures in order to serve that development.

Greg Neff mentioned that the District's impact fee was last adopted in 2009. Management has listed in next year's budget a proposal for an impact fee study, which management will go over in more detail during the budget discussion.

Kim Galbraith asked about the District property tax revenue and confirmed with Spencer Evans that most of it comes at the collection of taxes at year end.

(C) 2020 BUDGET WORKING DRAFT

Spencer Evans said in years past, the budget draft was handed out in October. Management decided to give the Board a budget working draft early this year to give the Board more time to evaluate and consider the budget in preparation for adopting the tentative budget in October. Management will present the budget to the Board for review, discussion and questions in October. Spencer said because of the earlier time frame, there are still a lot of unknowns. There will be some differences between today's hand-out and next month's preliminary budget because the District is still waiting for costs. Some of those costs were discussed including CVWRF whose budget will be adopted in October. Once the Board approves the tentative budget in October, it will then be posted on the District website for public review. In November there will be the public hearing for public questions and comments. The final budget will be adopted in December's meeting. There was some discussion regarding the format of the budget draft and state auditing requirements.

ITEM 4: CENTRAL VALLEY WATER RECLAMATION FACILITY UPDATE

Greg Neff gave the following report on CVWRF: No major expenditures were approved; the meeting was mostly regarding updates. Request for approval to purchase the thickening centrifuges will be at the next meeting, which is part of the nutrient removal process. The nutrient removal design was sent to the state who has 60 days to review it. If changes are needed, they can start the clock over, but the design project will hopefully go out for bid in November.

CVWRF used 322 super sacks to remove the uranium tailings to Energy Solutions, which was less than anticipated. The uranium was encountered during the South Interconnector Construction project. Some trench shoring was used to minimize the material that had to be removed.

The odor control facility is still underway. The secondary clarifiers, which have been under construction for about one and a half years, are getting close to completion.

The metal storage building is almost done. The headworks backup generators are installed and almost complete and connected. The steel launder was installed to the primary clarifier. A force main is being replaced as part of the South Salt Lake collection system owned by CVWRF. There was a presentation on cyber security. CVWRF received a good EMOD rating of 0.73.

As listed in Information Item 7(A), CVWRF submitted a letter to the State DWQ to be in compliance with the extension they received to meet the phosphorus limits by 2025. The letter has information regarding the process of meeting those state permit limits.

Greg said the CVWRF Board book shows task orders for each project and explains the progress and the current and expected/estimated future cost.

ITEM 5: MANAGEMENT REPORT

None.

ITEM 6: BOARD REPORT

There was discussion regarding restaurant and surcharge accounts, the District's pretreatment program and CVWRF's volume and strength testing.

Wesley Fisher requested management to display the agenda on the TV screen during Board meetings for public view. There was discussion regarding the District Board book information packet. The Board directed management to post the Board book information packet on the District website.

Chairman Katter handed out and read a Deseret News article titled: EPA water chief says these people are unsung heroes amount us (speaking of wastewater workers). A copy of the article is attached to and therefore made part of these minutes.

Randy Zollinger at 7418 S. Rosalind Circle commented on the Deseret News article; Randy said that he was impressed that the EPA Water Chief was a former wastewater worker.

ITEM 7: INFORMATION ITEMS

(A) CVWRF TECHNOLOGY BASED PHOSPHORUS LIMIT RULE VARIANCE – 3 YEAR PROGRESS UPDATE

(B) SANDY CITY COMMUNITY DEVELOPMENT – NOTICE OF INTENT TO PUBLISH, CODIFY, AND AMEND CITY CODE AND ORDINANCES

(C) PUBLIC UTILITY EASEMENT ENCROACHMENT BY PROPERTY OWNER – LOT 4, MACKINTOSH SUBDIVISION (2838 BRIDGEWATER DRIVE).

ITEM 8: 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 7:49 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, Mark Katter
AGAINST: None

PREPARED BY: Jami Phillips, Board Secretary