

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

DATE: January 20, 2021
PLACE : Cottonwood Improvement District Office
TIME: 3:00 P.M.

PRESENT:
Wesley Fisher, Chairman
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 - Electronically
Jami Phillips, Board Secretary

Public in Attendance: None.

Mark Katter was unable to attend.

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

The Pledge of Allegiance was recited. The invocation was offered by Kim Galbraith.

AGENDA:

ITEM 1: APPROVE MINUTES OF THE DECEMBER 16, 2020 BOARD MEETING

No corrections were made to the minutes. A motion was made "to approve the minutes of the Board meeting held on December 16, 2020."

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 report was provided to the Board for their review, along with the District Manager's Wells Fargo credit card statement. There was discussion on the purchase of pugmil blades and their use. 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

Copies of the unaudited financial statements as of December 31, 2020 were provided to the Board for their review. Spencer explained to the Board that he is still working through the year-end to close and there are a few accruals that need to be made as well as adjustments from Utah Retirement Systems, property taxes from SLCO and CVWRF operations adjustment. Spencer pointed out the increase in the PTIF due primarily from proceeds from the land sale in Murray. The auditors will start their District field work once they finish with CVWRF around the end of February and should be ready to issue an opinion on the District to the Board sometime in May. There was some discussion regarding impact fees received for 2020.

ITEM 4: STEVE REGAN PROPERTY PURCHASE - REPORT

Greg Neff updated the Board on the final property sale to Steve Regan. A copy of the Special Warranty Deed, the Disbursement Statement, and a boundary survey map is included and made part of these minutes. The tax deed issue has been resolved and now belongs to the District. The details of a sign lease agreement with Steve Regan on District property are still outstanding; Currently Steve Regan hasn't responded to the proposed lease agreement drafted by Jeremy Cook.

ITEM 5: COVID-19 RELIEF EXTENSION TO MARCH 31

In the April 8, 2020 Board meeting, the District Board adopted policies related to the government mandated Families First Coronavirus Response Act (FFCRA) requiring COVID related paid leave. The FFCRA and the District related policies expired December 31, 2020. On December 27, 2020, Congress gave employers the option to extend FFCRA leave through March 31, 2021. Management thinks it's beneficial and recommends extending the Emergency Paid Sick Leave Act Policy; Emergency Family and Medical Leave Expansion Act Policy; and the Critical Position Staffing Policy, and related unused emergency sick leave, through March 31, 2021. After some discussion, a motion was made "to extend the coverage of the three policies under the FFCRA through March 31, 2021."

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

ITEM 6: CENTRAL VALLEY WATER RECLAMATION FACILITY UPDATE

Kim Galbraith reported on the following CVWRF matters: There was discussion regarding the timeline of the COVID vaccine availability and the CDC vaccine phase recommendations for water and wastewater workers, which the CDC does not consider high risk.

In December, 2020, there was a SolarWinds software attack. It was reported that CVWRF uses this software. A server was shut down for two weeks while the server was changed. It does not appear that CVWRF was affected. There was analyzing and discussion to prevent any future security attacks.

Brown and Coldwell was approved as the design project engineers for the year 2021.

The CVWRF Board meeting schedules were given. The meetings are scheduled for the fourth Wednesday of each month at 3:00 p.m. September's Public Hearing is scheduled for 6:00 p.m.

CVWRF's General Manager, Phil Heck, gave an update on the flow metering issue; the flow metering is now accurate.

The uranium mill tailings found during the blower building excavation project has put the excavation on hold. Approximately 1,700 yards have been removed. It has been covered and is being temporarily housed on the property. CVWRF is working with an engineering firm that works with uranium mill tailing sites to oversee the project, along with the state to decide how and where it is stored. There is continued talk on lobbying efforts to help with the cost.

The capital projects are moving along; some have been slowed down because of the tailings. There are three major projects that are happening this year and into next year; the contract that was awarded late last year for the Big Cottonwood Creek Siphon Rehabilitation Project, the Side-Stream Phosphorus and Nitrogen Design Projects and the other major project is still in the design phase.

There was a closed session regarding the golf course property.

Chairman Fisher asked about CVWRF's procurement policy procedures and if a procurement procedure policy is followed when purchasing general use material. Spencer Evans referred Wes to the CVWRF's Google Drive where the Procurement Policy and guidelines are listed. Greg Neff said he will talk to Phil Heck, CVWRF's General Manger, at the manager's meeting.

ITEM 7: UTAH OPEN MEETINGS ACT TRAINING

Jeremy Cook did a review and summary of the Utah Code, Title 52, Chapter 4, Open and Public Meetings Act and provided the Board with the required annual training. The following are some highlights: The definition of "Meeting" means the convening of a public body, with a quorum present, including a workshop or an executive session. With a three-member board, anytime two members of the board are together discussing District business it's considered a quorum and qualifies as a meeting. Meetings are open to the public unless it's a closed meeting, under the closed portion of the Act. Jeremy discussed the notice requirements of emergency meetings; the requirements of the written minutes, which are the official record of the meeting. All meetings are to be recorded unless it's a closed meeting discussing the character, professional competence, or physical or mental health of an individual. The requirements and the purpose of a closed meeting was explained. There was a minor change with the provisions to the anchor location in the Electronic Meetings Act. Jeremy discussed the definitions and prohibitions on Chance Meetings, Electronic Message Transmissions, Disruptive Meetings and Action Challenging Closed Meeting. The Criminal Penalty for Closed Meeting Violation is a class B misdemeanor.

ITEM 8: MANAGEMENT REPORT

Greg Neff updated the Board concerning the Impact Fees Facilities Plan, Impact Fee Analysis, Sewer Rate Study that was approved and awarded to Bowen Collins & Associates in the July 15, 2020 Board meeting. The Impact Fees Facilities Plan is largely completed, that involves some updating of the District's model, looking at future development and some other important aspects to come up with a list of capital facilities plans. Having accurate meter readings at Central Valley is a really important part of that process. Management will have a preliminary report in February, along with a recommendation that this project is delayed until finalizing it in the fall of 2021 when there is a year's worth of accurate flow metering data from Central Valley. Greg explained that ERU values were put into the model using the District's historical readings from Central Valley. However, the recent readings discovered in the new flow meters reflect less flow for the District. Therefore, once there is a year's worth of accurate data at the end of August, a simple process of putting the new ERU value in the model and then rerunning it will accurately show which projects need to be completed as part of a capital facilities or impact fee facilities plan. Management will have Bowen Collins and Associates come in and present to the Board; management will give a recommendation to extend their contract time.

As part of the study, Bowen Collins and Associates included a brief report on how much money is required each year to keep the District's facilities in good working order. Management would like Bowen Collins and Associates to perform additional analysis regarding this, which will require adding some money to the consultant's contract to evaluate the quality of the District's infrastructure in more detail. This accurate study information helps the District to project the revenue needs to Central Valley

and will make sure the District gets a good and fair impact fee to insure future developers are paying what they should and if the District will need to raise rates.

Central Valley is looking at getting a WIFIA loan (Water Infrastructure Finance & Innovation Act), which is a low interest loan from the federal government but won't be available until 2023. This low interest loan could potentially take the place of the last round of Central Valley bonding that could lower costs.

ITEM 9: BOARD REPORT

None.

ITEM 10: INFORMATION ITEMS

(A) CENTRAL VALLEY ESTIMATED COSTS

At 4:14 p.m., a motion was made "to adjourn the regular Board meeting."

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

PREPARED BY: Jami Phillips, Secretary