

**BOARD MEETING
SEPTEMBER 20, 2017
9:00 A.M.
MT. OLYMPUS IMPROVEMENT DISTRICT
3932 SOUTH 500 EAST**

SUMMARY

- 1. MILLCREEK CITY – JOHN GEILMANN, CITY MANAGER**
- 2. MINUTES OF BOARD MEETINGS – JUNE 28, 2017 AND AUGUST 16, 2017**
- 3. MT. OLYMPUS PAYABLES**
- 4. CENTRAL VALLEY PAYABLE**
- 5. FINANCIAL REPORT**
- 6. CENTRAL VALLEY REPORT – JOHN NORTON**
- 7. DISCUSSION OF 2017 AND 2018 BUDGETS**
- 8. UPDATE ON TRUSTEE ELECTION**
- 9. DISCUSSION AND RESOLUTION TO CANCEL THE ELECTION AND CERTIFY THAT THE CANDIDATES ARE UNOPPOSED AND CONSIDERED TO BE ELECTED TO OFFICE**
- 10. LEGISLATIVE AUDITOR GENERAL BEST PRACTICES FOR INTERNAL CONTROL OF LIMITED PURPOSE ENTITIES**
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 - 1. NOI – RENEWAL OF PERMIT**
 - 2. LINING PROJECT UPDATE**
 - 3. CAPITAL PROJECTS UPDATE**
 - C. PROPERTY TAX CERTIFICATIONS**
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 - E. WEFTEC 2017 CONFERENCE**
 - F. UTAH ASSOCIATION OF SPECIAL DISTRICTS CONFERENCE**
- 12. INFORMATION ITEMS (NO ACTION REQUIRED)**
 - A. DISTRICT ACTIVITY REPORTS**
 - B. CENTRAL VALLEY FLOW & LOAD REPORT**
 - C. UTAH PUBLIC TREASURER’S POOL YIELD**
 - D. JIM FAULKNER RETIREMENT**

PRESENT: AMI NEFF, BOARD CHAIR
JOHN NORTON, TRUSTEE
MELVIN MACKAY, TRUSTEE
KERRY EPPICH, GENERAL MANAGER
TAMMY GONZALES, EXECUTIVE SECRETARY/DISTRICT CLERK
STEPHEN ROHWER, DISTRICT CONTROLLER

GUEST: JEFF SILVESTRINI AND JOHN GEILMANN OF MILLCREEK CITY

PRESIDING: CHAIR, AMI NEFF

1. MILLCREEK CITY – JOHN GEILMANN, CITY MANAGER

John Geilmann Millcreek City Manager and Jeff Silvestrini Millcreek City Mayor joined the meeting. Mayor Silvestrini stated that the City plans on moving to a temporary location which is closer to their future permanent office by the end of September. Both expressed their heartfelt thankfulness for the District's accommodations. They also expressed their gratitude to the staff for all of their help and hospitality during their stay.

2. MINUTES OF BOARD MEETINGS – JUNE 28, 2017 AND AUGUST 16, 2017

Motion to approve the June 28, 2017 and August 16, 2017 Board Meeting minutes, as written, was made by Trustee John Norton and seconded by Trustee Mel Mackay. The motion was approved by unanimous vote, those voting in favor: John Norton, Mel Mackay, and Ami Neff.

3. MT. OLYMPUS PAYABLES

After review and discussion, motion to approve the Mt. Olympus Payables was made by Trustee John Norton and seconded by Trustee Ami Neff. The motion was approved by unanimous vote, those voting in favor: John Norton, Mel Mackay, and Ami Neff.

4. CENTRAL VALLEY PAYABLE

After review and discussion, motion to approve the Central Valley Payable was made by Trustee John Norton and seconded by Trustee Ami Neff. The motion was approved by unanimous vote, those voting in favor: John Norton, Mel Mackay, and Ami Neff.

5. FINANCIAL REPORT

The Financial Report was accepted for filing by Board Members.

6. CENTRAL VALLEY REPORT – JOHN NORTON

Trustee Norton reported on the last Central Valley Board meeting held on August 23, 2017.

- ***Wasatch Front Water Quality Council Meeting*** – On September 13, 2017 a tour of Utah Lake was sponsored by the Wasatch Front Water Quality Council. Legislative members from the Natural Resources, Agriculture and Environment Interim Committee and the Legislative Water Development Commission were invited. The intent was to engage legislators to help develop informed policies that are based on good research and also it was explained to them how expensive nutrient and pollution control is.
- ***Discharge Violation*** – On August 10, 2017 there was another discharge violation. Apparently a switch on the programmable logic controller (PLC) automatic transfer system (ATS) was not activated and caused blockage in the gas to the co-gen system. Central Valley is working on installing a larger uninterrupted power supply which will activate the ATS. Central Valley has not received any information on the result of this violation yet. The State will probably join the two violations together.
- ***Insurance*** – The property, casualty, and workers compensation insurance package was approved with Marsh Insurance. They are keeping the same coverage as last year with about a 1% increase.

6. **CENTRAL VALLEY REPORT – JOHN NORTON (CONTINUED)**

• ***Capital Projects –***

- As you may recall bids were sent out for work on the influent box culvert. Each contractor had to be prequalified for this project. AUI Inc. was awarded the contract in the amount of approximately \$3 million.
- The engine generator project was approved at a cost of \$770,000. Unison Solutions was awarded the contract with \$431,000 for the purchase of the siloxane removal system and \$340,600 for the hydrogen sulfide removal system.
- Central Valley has been running a BNR Pilot project. We passed two of the three WET tests from the main plant and the Pilot plant passed all three tests which is a good sign for when the plant is updated.
- Central Valley will now require that all contractors working on projects be prequalified based on the project size.
- A date for the Board Social has been set for September 29, 2017.

7. **DISCUSSION OF 2016 AND 2017 BUDGETS**

Manager Eppich stated that Central Valley intends to move approximately \$11 million in capital projects money to next year's budget. This makes our reserves very high however; Central Valley is budgeting about \$41 million next year which our share will be about \$10 million.

Controller Rohwer gave a brief discussion regarding a new janitorial service contract bid that was mailed out. We had a few companies respond with the lowest bid that came in at \$422 by Van Guard Janitorial. We will award the bid sometime next month. As you may recall we have a few other capital projects we would like to get done this year like installing insulated overhead doors in building A, paint the exterior stucco, door frames, man doors, and louvers of all the buildings, and re-roofing building A. These projects should be starting within a month. One other item we will be looking at is the drive-up counter that is pulling away from the wall which we are hoping to get this done this year as well.

8. **UPDATE ON TRUSTEE ELECTION**

District Clerk Gonzales stated that we had no write-in candidates file a declaration of candidacy as of the deadline. Manager Eppich stated that due to both Ami and Mel running unopposed, we do not need to hold an election.

9. **DISCUSSION AND RESOLUTION TO CANCEL THE ELECTION AND CERTIFY THAT THE CANDIDATES ARE UNOPPOSED AND CONSIDERED TO BE ELECTED TO OFFICE**

Manager Eppich explained that the Board needs to do three things, 1) cancel the election, 2) certify that the candidates are running unopposed and are therefore elected to the position, and 3) post notice of the cancellation on the County Election Website, in the newspaper and on the District's website.

After review and discussion Trustee Mel Mackay made the motion that the Board adopt the following resolution:

9. DISCUSSION AND RESOLUTION TO CANCEL THE ELECTION AND CERTIFY THAT THE CANDIDATES ARE UNOPPOSED AND CONSIDERED TO BE ELECTED TO OFFICE (CONTINUED)

RESOLUTION #18-092017-01

**MT. OLYMPUS IMPROVEMENT DISTRICT
RESOLUTION CANCELLING 2017 LOCAL DISTRICT ELECTION
AND CERTIFYING THAT TWO CANDIDATES
ARE CONSIDERED ELECTED TO OFFICE**

WHEREAS, Mt. Olympus Improvement District a political subdivision of the State of Utah, (the "District"), provided proper notice earlier this year of two vacant positions on the Board of Trustees for the District to be filled at the 2017 municipal general election;

WHEREAS, Melvin G. Mackay and Ami Anderson Neff are the only candidates that filed declarations of candidacy and no write-in candidates submitted his or her name in accordance with the procedures outlined in Utah Code Section 20A-9-601;

WHEREAS, there are no other District ballot propositions to be voted upon in the 2017 election.

NOW, THEREFORE, BE IT RESOLVED AND CERTIFIED BY THE BOARD OF TRUSTEES OF MT. OLYMPUS IMPROVEMENT DISTRICT AS FOLLOWS:

Melvin G. Mackay and Ami Anderson Neff, are the two candidates that filed a declaration of candidacy, are unopposed in this election and are considered elected to fill the vacant positions on the Board of Trustees for the District. Pursuant to Utah Code Sections 17B-1-306 and 20A-1-206, the District's 2017 election is hereby cancelled.

ADOPTED AND APPROVED by the Board of Trustees of Mt. Olympus Improvement District as Resolution No. 18-092017-01 this 20th day of September, 2017.

MT. OLYMPUS IMPROVEMENT DISTRICT

By: _____
Its: Trustee

ATTEST:

District Clerk

The motion was seconded by Trustee John Norton. The motion was approved by unanimous vote, those voting in favor: Mel Mackay, John Norton and Ami Neff.

10. LEGISLATIVE AUDITOR GENERAL BEST PRACTICES FOR INTERNAL CONTROL OF LIMITED PURPOSE ENTITIES

The Board was provided a copy of the best practices checklist at the last board meeting. Manager Eppich stated that a lot of the information they are talking about is normally put in an administrative and board procedure manual. We have never had one put together because we follow the State law. Advice from our legal counsel is that we put together an administrative and board procedure manual to meet this requirement. Controller Rohwer then went over some of the internal control processes that we follow and review with the auditors every year.

11. MANAGER'S REPORT

A. PERSONNEL REVIEW

Manager Eppich reported that the following employee will have his anniversary in the next month:

- Ray Dotson's anniversary is on October 11th. He has been with the District 34 years and is doing a good job.

B. OPERATIONS REPORT

1. NOI – RENEWAL OF PERMIT

Manager Eppich stated that five years ago the State developed a General Permit that allows the District to Operate a Wastewater Collection System. After looking at the permit we noticed that it expires on September 30, 2017, however we have never been notified that it was expiring. We have typed up a new Notice of Intent to Operate a Wastewater Collection System Under the General Permit and Manager Eppich will get in touch with the State of Utah about renewing the permit.

2. LINING PROJECT UPDATE

Engineer Ayala stated the project is going well and they will be finishing in the next week or so. Our intent is to send out bids earlier this year than last year. Trustee Norton asked if it would make sense to maybe make it a three or five year contract? Engineer Ayala stated it might but the cost of the lining product varies. Manager Eppich stated we will look into it and make sure it follows the procurement policy.

3. CAPITAL PROJECTS UPDATE

The building expansion is complete and looks great. There are a few new projects in the works that we spoke about earlier and will be starting within a month.

11. MANAGER'S REPORT (CONTINUED)

C. PROPERTY TAX CERTIFICATIONS

On September 1, 2017, the District certified 1,713 accounts for a total of \$268,917.11 with the additional penalty fee of \$38,996.04 and administrative fee of \$42,825 for a grand total of \$350,738.15. A list of past years certified total's was provided for Board review.

D. DISCUSSION OF POSSIBLE LEGISLATION

Manager Eppich stated that because the findings and recommendations from an audit of certain local districts the Legislature has created a new committee that will analyze the audit's recommendations and consider drafting legislation from the audit. One item would be to create a registry list, also to draft legislation to publish information about the boards for each public organization.

E. WEFTEC 2017 CONFERENCE

All arrangements for WEFTEC have been made. Those attending this year are Manager Eppich and Engineer Ayala.

F. UTAH ASSOCIATION OF SPECIAL DISTRICTS CONFERENCE

The Association of Special Districts Annual Convention will be held November 1-3, 2017 in Layton, Utah. All Board members, as well as Manager Eppich and Controller Rohwer will attend. Conference registrations have been done.

12. INFORMATION ITEMS (NO ACTION REQUIRED)

A. DISTRICT ACTIVITY REPORTS

Copies of the District's activity reports were provided for Board review. Manager Eppich stated that we adjusted the capacity fee report to show Daily's RE's at the bottom of the report.

B. CENTRAL VALLEY FLOW & LOAD REPORT

A copy of the July Central Valley Flow & Load Report was provided for Board review which shows the flows at approximately 14 MGD.

C. UTAH PUBLIC TREASURER'S POOL YIELD

The Utah Public Treasurer's Pool Yield for August 2017 was up slightly from 1.38 to 1.45 percent.

D. JIM FAULKNER RETIREMENT

A discussion was had about the retirement of Jim Faulkner, General Manager for Cottonwood Improvement District. Greg Neff will be the new General Manager.

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With no further information to come before the Board, motion to adjourn was made by Trustee John Norton and seconded by Trustee Mel Mackay. The motion was approved by unanimous vote, those voting in favor: John Norton, Mel Mackay, and Ami Neff.

The meeting adjourned at 10:28 a.m.

Ami Neff, Board Chair

