

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

SUMMARY

- 1. WELCOME AND INTRODUCTIONS**
- 2. PUBLIC COMMENTS**
- 3. MINUTES OF BOARD MEETING AND PUBLIC HEARING –NOVEMBER 15, 2017**
- 4. FINANCIAL INFORMATION**
 - A. REVIEW MT. OLYMPUS PAYABLES AND DISBURSEMENTS**
 - B. REVIEW CENTRAL VALLEY PAYABLE**
 - C. REVIEW FINANCIAL REPORT**
 - D. REVIEW OF 2017 CAPITAL BUDGET AND PURCHASES**
 - E. APPROVAL OF WORKERS COMPENSATION INSURANCE RENEWAL FOR THE YEAR 2018**
 - F. APPROVL OF 2018 BUDGET**
- 5. CENTRAL VALLEY REPORT – JOHN NORTON**
- 6. APPROVAL OF BOARD MEETING DATES FOR THE YEAR 2018**
- 7. ANNUAL REVIEW OF PERSONNEL POLICIES**
- 8. MANAGER’S REPORT**
 - A. PERSONNEL REVIEW**
 - B. OPERATIONS REPORT**
 - 1. MANHOLE REHAB UPDATE**
 - 2. POSSIBLE LEGISLATIVE UPDATE**
 - 3. UPDATE ON ACCOUNT #13.1509 – DAILY’S PREMIUM MEATS**
 - C. 2018 HOLIDAYS**
 - D. 2018 CONFERENCES**
- 9. INFORMATION ITEMS (NO ACTION REQUIRED)**
 - A. DISTRICT ACTIVITY REPORTS**
 - B. CENTRAL VALLEY FLOW & LOAD REPORT**
 - C. UTAH PUBLIC TREASURER’S POOL YIELD**
- 10. POSSIBLE CLOSED SESSION TO DISCUSS PERSONNEL ISSUES AND GENERAL MANAGER REVIEW**

PRESENT: AMI NEFF, CHAIRMAN OF THE BOARD
JOHN NORTON, TRUSTEE
MEL MACKAY, TRUSTEE
KERRY EPPICH, GENERAL MANAGER
STEPHEN ROWHER, CONTROLLER
TAMMY GONZALES, DISTRICT CLERK

PRESIDING: CHAIR, AMI NEFF

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Trustee Ami Neff stated that the Agenda format had changed. Manager Eppich explained that these changes conform to changes made by the auditor's checklist for open meetings. The Board was asked if they had any comments or suggestions.

1. WELCOME AND INTRODUCTIONS

Welcome and introductions were done. No one from the public was in attendance.

2. PUBLIC COMMENTS

There were no public comments.

3. MINUTES OF BOARD MEETING AND PUBLIC HEARING – NOVEMBER 15, 2017

Motion to approve the November 15, 2017 Board Meeting and Public Hearing minutes, as written, 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, Ami Neff, and Mel Mackay.

4. FINANCIAL INFORMATION

A. REVIEW MT. OLYMPUS PAYABLES AND DISBURSEMENTS

After review and discussion, motion to approve the Mt. Olympus Payables and Disbursements 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.

B. REVIEW CENTRAL VALLEY PAYABLE

After review and discussion, motion to approve the Central Valley Payable 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.

C. REVIEW FINANCIAL REPORT

After review and discussion the Financial Report was accepted for filing by Board Members. Controller Rohwer then gave a breakdown of the new financial graphs in detail.

D. REVIEW OF 2017 CAPITAL BUDGET AND PURCHASES

A recap of the 2017 Capital Budget was had. As you may recall the drive-up window is pulling away from the wall. Manager Eppich stated that we had another structural engineer come and give us an opinion on why it is pulling away. His opinion is to shore up the pillar down in the basement by drilling into the pole and the foundation to secure it. Trustee Norton asked about different ways to maybe work around it to save money. Manager Eppich stated that if it is a structural problem we will need to fix it either way.

4. **FINANCIAL INFORMATION (CONTINUED)**

E. **APPROVAL OF WORKERS COMPENSATION INSURANCE RENEWAL FOR THE YEAR 2018**

After review and discussion, motion to approve the Workers Compensation Insurance Renewal for 2018 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.

F. **APPROVAL OF 2018 BUDGET**

With no changes to the 2018 budget from the one discussed at the Public Hearing last month, and having received no public comments it is being recommended that the 2018 Budget be approved.

After review and discussion, motion to approve the 2018 Budget 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.

5. **CENTRAL VALLEY REPORT – JOHN NORTON**

Trustee Norton reported that at the last Central Valley board meeting, the following was discussed:

- ***Retirement Committee*** – Reed Fisher is the Board Representative on the committee. The Board approved an Employee 457 Retirement Plan for the employees of Central Valley. This Plan will allow the employees to save additional retirement monies. There was a \$5,000 set-up fee paid by Central Valley.
- ***State Auditor Checklist*** – Justin Zollinger reviewed the best practices checklist for the Board members. The checklist was designed for special districts but some of the practices may be helpful to Central Valley. One item they are looking to implement is a comment box for anonymous comments (whistleblower) or suggestions.
- ***Purchase of Secondary Clarifiers 9-12*** – Phil Heck outlined all the major purchases Central Valley is looking into. One being the secondary clarifiers. Clarifiers 11 and 12 we knew were needed for the rebuild of the plant, but 9 and 10 will need to be upgraded with new mechanisms to work with the new processes at a cost of \$1.1 million.
- ***Contractor Prequalification*** – There are two categories for contractor prequalification: 1) major capital projects – projects ranging between \$1 and \$50 million and, 2) on call projects under \$1 million. The major capital projects had four firms respond to the prequalification selection: Alder Construction, COP Construction, and Gerber Construction. The other firm was eliminated due to not meeting certain requirements. These three contractors will be authorized to bid on major capital projects. The on call project which is a three year master services agreement went out to a few contractors and Alder Construction was awarded that contract.

5. CENTRAL VALLEY REPORT – JOHN NORTON

- ***Design Contracts*** – There are five Design Contracts to begin next year: 1) Nutrient removal, 2) Cogeneration Final Design and CM Services, 3) Secondary Clarifiers, 4) 3W Water/Filters Design, and 5) SCADA Master Plan. Brown and Caldwell will put together the plans. Total design commitments will be just short of \$6 million.
- ***Update on Capital Projects*** – 1) Influent box culvert – CV has had to manually clean the box culvert of debris. They are looking into a flushing program once the pipe is cleaned. 2) Co-gen system – the two engines and generators have been delivered. CV staff will install the piping. 3) Influent Odor Control System – Brown and Caldwell is about 90% complete in the system design stage. 4) Nutrient Removal – the pilot study is complete. Henrik Melcer of Brown and Caldwell gave a presentation on the biological processes of organic molecule breakdown. He commented that the pilot study showed a significant carbon deficiency. This will need to be studied more.

6. APPROVAL OF BOARD MEETING DATES FOR THE YEAR 2018

A schedule of the tentative board meeting dates for 2018 was reviewed by the Board. With a few exceptions the board meetings are scheduled to be held on the third Wednesday of each month at 9:00 a.m. at the District offices.

After review and discussion, motion to approve the Board Meeting dates for the year 2018 as amended 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 schedule will be published in the paper as per State law.

7. ANNUAL REVIEW OF PERSONNEL POLICIES

Manager Eppich stated that the annual review of the personnel policies has been done. We are required to report to the Board that the policies have been reviewed and there are no changes being recommended at this time. There may need to be some changes made due to the new Administrative Policy, so that will happen next year.

8. MANAGER’S REPORT

A. PERSONNEL REVIEW

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

- Neal Stoddard’s anniversary is on January 9th. He has been with the District 6 years and is doing a great job.

Due to patrons concerned about wages and benefits for Central Valley and District employees, Controller Rohwer presented a chart showing Employer Cost for Employee Compensation. These figures are from the Bureau of Labor Statistics news release. Controller Rohwer reported that the District’s percentages and breakdown are in-line with the report from the Bureau of Labor Statistics. A discussion was then had.

8. MANAGER'S REPORT (CONTINUED)

B. OPERATIONS REPORT

1. MANHOLE REHAB UPDATE

District Engineer, Dean Ayala joined the meeting. Two manholes were taken out that were not needed. The floors of the manholes were poured very thinly and were completely deteriorated. Each manhole took about two days to remove. UDOT would only allow nighttime work to be done. The cost for the removal of these manholes was \$74,000 but they will pay for themselves because of the amount of infiltration being removed from the system.

2. POSSIBLE LEGISLATIVE UPDATE

At this time there is no update. The legislative session will start in January and we will keep the Board informed.

3. UPDATE ON ACCOUNT #13.1509 – DAILY'S PREMIUM MEATS

We received information from Central Valley on Daily's flows and loads. Almost immediately after the study that was used to set their rates they increased their water flow by 50%. We are in the process of generating an invoice/letter for their usage fees for the four-month period (August through November). Their oil and grease has decreased so it appears that Daily's is continuing to work on their system. We will keep monitoring their usage and will continue to bill them this way and will keep the Board informed.

C. 2018 HOLIDAYS

The Board was provided a copy of the 2018 Holiday list for their review.

D. 2018 CONFERENCES

A copy of the 2018 Conference schedule was provided to the Board for their review. A short discussion was then had on the different conferences.

9. INFORMATION ITEMS (NO ACTION REQUIRED)

A. DISTRICT ACTIVITY REPORTS

Copies of the District's activity reports were provided for Board review.

B. CENTRAL VALLEY FLOW & LOAD REPORT

A copy of the October Central Valley Flow & Load Report was provided for Board review which shows the flows at approximately 11.85 MGD.

C. UTAH PUBLIC TREASURER'S POOL YIELD

The Utah Public Treasurer's Pool Yield for November 2017 was up slightly to 1.58%.

10. POSSIBLE CLOSED SESSION TO DISCUSS PERSONNEL ISSUES AND GENERAL MANAGER REVIEW

Motion to adjourn the open session and go into a closed session to discuss Personnel Issues and General Manager Review was made by Trustee Mel Mackay and seconded by Trustee John Norton. The motion was approved by unanimous vote, those voting in favor: John Norton, Mel Mackay, and Ami Neff.

Trustee Ami Neff stated we are back in open session.

After review and discussion, motion to approve the COLA increase and the merit increase of 2 percent, and two bonus vacation days for Manager Eppich 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.

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: Mel Mackay, John Norton, and Ami Neff.

The meeting was adjourned at 11:39 a.m.

Ami Neff, Chairman of the Board