

**BOARD MEETING
APRIL 25, 2018
9:00 A.M.
MT. OLYMPUS IMPROVEMENT DISTRICT
3932 SOUTH 500 EAST**

SUMMARY

- 1. WELCOME AND INTRODUCTIONS**
- 2. MINUTES OF BOARD MEETING – MARCH 21, 2018**
- 3. DISCUSSION OF PROCESS TO FILL A TRUSTEE VACANCY**
- 4. FINANCIAL INFORMATION**
 - A. REVIEW MT. OLYMPUS PAYABLES AND DISBURSEMENTS**
 - B. REVIEW CENTRAL VALLEY INVOICE(S)**
 - C. REVIEW FINANCIAL REPORT**
 - D. REVIEW AUDIT PROGRESS**
- 5. CENTRAL VALLEY REPORT – JOHN NORTON**
 - A. CENTRAL VALLEY AUDIT REPORT FOR THE YEAR ENDED DECEMBER 2017**
 - B. REPORT ON ENTITY MANAGERS MEETING**
- 6. MANAGER’S REPORT**
 - A. PERSONNEL REVIEW**
 - 1. EMPLOYEE SOCIAL DISCUSSION**
 - B. OPERATIONS REPORT**
 - 1. UPDATE ON DAILY’S PREMIUM MEATS**
 - 2. UPDATE ON UDOT DISCUSSIONS AND POSSIBLE PRESENTATION OF UDOT CONTRACTS**
 - C. UGFOA CONFERENCE REPORT**
 - D. WEAU CONFERENCE REPORT**
 - E. NATIONAL GFOA CONFERENCE UPDATE**
 - F. WEFTEC CONFERENCE UPDATE**
- 7. INFORMATION ITEMS (NO ACTION REQUIRED)**
 - A. DISTRICT ACTIVITY REPORTS**
 - B. CENTRAL VALLEY FLOW & LOAD REPORT**
 - C. UTAH PUBLIC TREASURER’S POOL YIELD**

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

PRESIDING: **CHAIR, AMI NEFF**

1. WELCOME AND INTRODUCTIONS

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

2. MINUTES OF BOARD MEETING – MARCH 21, 2018

Motion to approve the March 21, 2018 Board Meeting 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 and Ami Neff.

3. DISCUSSION OF PROCESS TO FILL A TRUSTEE VACANCY

There is the need to fill a board vacancy due to the passing of Trustee Mel Mackay. Manager Eppich discussed the process to fill a vacancy on the board. On April 29th and 30th, 2018 we will place an ad in the newspaper stating that the District is accepting applications to fill a vacancy on the board of trustees. Those interested will need to send in a statement of interest and qualifications to the District. The deadline for submitting a statement will be May 14, 2018 at 12:00 p.m. Each applicant will then be considered and one will be appointed at the May 16, 2018 board meeting.

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

Controller Rohwer discussed the capital variance report and stated that two trucks will be put up for sale. We will advertise on KSL.com and on our website.

B. REVIEW CENTRAL VALLEY INVOICE(S)

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 and Ami Neff.

C. REVIEW FINANCIAL REPORT

After review and discussion the Financial Report was accepted for filing by Board Members. Controller Rohwer then discussed in detail the provided charts and graphs.

D. REVIEW AUDIT PROGRESS

The auditors came out and did their fieldwork; Controller Rohwer is finishing up the MD&A and should be completed by next week. The auditors should then be able to start the review process and we should get a copy of the audit within the next couple of weeks. Huber Erickson & Bowman the District's auditors will present the preliminary audit at the next board meeting.

5. CENTRAL VALLEY REPORT – JOHN NORTON

Trustee Norton discussed the following topics at the March board meeting:

- **2017 Audit** – Keddington & Christensen presented the December 31, 2017 financial statement audit. The financial statements are presented fairly and in accordance with generally accepted accounting principles.
- **Capital Projects** – The influent channel rehab – AUI is the contractor doing the channel rehab work. So far some portions have been replaced or rehabilitated. AUI is also contracted to rehab approximately 1,000 feet of sewer line from Carlisle Park Lane to approximately 3900 South. There was also a change-order to AUI for the remainder of the Murray-Cottonwood interceptor lining. The engine generator replacement project is underway. The secondary clarifiers' excavation will begin in a couple of weeks.
- **Boom Truck Replacement/Crane** – Approved was the purchase of a new crane at a cost of \$274,100. The old boom truck will be used for other plant operations.
- **Insurance Broker** – Olympus Insurance was approved as the new insurance broker for insurance coverage for liability, property, and auto insurance.
- **Resolution of Municipal Wastewater Planning Program** – Approved was a Resolution to adopt the Municipal Wastewater Planning Program annual report.
- **Legislative Update** – One bill that was sponsored by the Wasatch Front Water Quality Council set threshold limits of \$10m that would have to be approved by the Legislature's Environmental Committee. A \$100m threshold would require full legislative approval. The bill passed both houses but ended up failing. Another bill was for a request to fund \$500,000 for the Utah Lake Research. This bill was passed.
- **Wasatch Front Water Quality Council (WFWQC)** – There was a \$150,000 check made out to South Davis Sewer District. The accounting for the WFWQC is done by South Davis Sewer District. The Board asked Tom Holstrom to get financial information and help separate the accounting of these two entities.

A. CENTRAL VALLEY AUDIT REPORT FOR THE YEAR ENDED DECEMBER 31, 2017

Manager Eppich stated that the 2017 financial statement audit came back as a clean audit and was better than in the past. Before the audit was finalized there was one issue that Justin brought to the attention of the entity and accounting managers' and it was determined that a change was needed. This changed is reflected in the audit.

B. REPORT ON ENTITY MANAGERS MEETING

Manager Eppich stated there were a few issues discussed. First at the Water Quality Board meeting in St. George, Central Valley went to the Board to start the process on the \$60m loan. Second our District is anticipating a possibly of participating in that loan. One more item is the Central Valley cash flow issue. There has been a couple of suggestions that everyone agreed to: 1) is the double billing that is payable within 10 days and 2) revenue credit – instead of giving revenue credit back to the entities, keep that revenue at Central Valley. These issues will be discussed at the board meeting.

6. MANAGER'S REPORT

A. PERSONNEL REVIEW

Grant Reddick who worked in our lines maintenance department passed away on April 4, 2018. His anniversary would have been on May 12th and he would have been with the District for 14 years.

We have hired two new employees: Jason Ekstrom and Lance Titmus both will work in the lines maintenance department.

Manager Eppich reported that the following employee will have their anniversary in May:

Karl Faulkner's anniversary is on May 14. He will have been with the District for 34 years and is doing a good job.

1. EMPLOYEE SOCIAL DISCUSSION

Manager Eppich approached the Board with the possibility of having both a summer employee party and also the Christmas dinner party but not having the raffle. Trustee Neff suggested finding a less expensive dinner place. Manager Eppich stated we will start looking at a less expensive place for the Christmas party and will hold the Lagoon party on a Friday. Trustee Norton suggested having everyone bring a "white elephant" or a "Yankee swap" gift for the Christmas party.

B. OPERATIONS REPORT

1. UPDATE ON DAILY'S PREMIUM MEATS

Manager Eppich stated that Daily's is staying within their limits so really no update. They do owe us a report on their pretreatment progress so we will report on that next month.

2. UPDATE ON UDOT DISCUSSIONS AND POSSIBLE PRESENTATION OF UDOT CONTRACTS

Manager Eppich gave the Board a little information on upcoming UDOT construction projects which could affect a few of our lines. Our counsel and engineer have been working on the "Agreement" for a few months now and the Agreement is almost ready to sign. There are also a couple of supplemental agreements that we are working on as well. The two supplemental agreements are 1) to hire Bowen & Colins to do the engineering review on the project and 2) an agreement to camera those trunk lines before and after the project.

C. UGFOA CONFERENCE REPORT

Manager Eppich and Controller Rohwer attended this conference in St. George, Utah. Both felt it was a good conference with good information.

D. WEAU CONFERENCE REPORT

Everyone felt it was a good conference. Trustee Neff shared a story about an employee at Central Valley that she thought was great and demonstrated their dedication to the plant.

6. MANAGER’S REPORT (CONTINUED)

E. NATIONAL GFOA CONFERENCE UPDATE

Manager Eppich and Controller Rohwer will attend this upcoming conference in St. Louis, MO. The conference is May 6 – 9, 2018. Kerry and Stephen will fly out on Saturday the 5th.

F. WEFTEC CONFERENCE UPDATE

Hotel reservations have been made for Manager Eppich, Engineer Ayala, Trustee Norton, and Trustee Neff. We’ll get registrations done soon.

7. INFORMATION ITEMS (NO ACTION REQUIRED)

Provided to the Board was a letter of commendation for Kirk Tolbert, District Inspector, for his work with a customer. The customer was happy with his professional advice and help.

Also provided to the Board was a letter from a customer about his water being turned off and he would like to have his sewer account closed. Manager Eppich will look into this matter more and respond to his letter. The line will need to be capped in order for the account to be closed.

Manager Eppich will review the UASD 2018 general legislative bill review and report back to the Board.

A. DISTRICT ACTIVITY REPORTS

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

B. CENTRAL VALLEY FLOW & LOAD REPORT

Copies of the Central Valley Flow & Load Reports for March were provided for Board review.

C. UTAH PUBLIC TREASURER’S POOL YIELD

The Utah Public Treasurer’s Pool Yield for March 2018 was at 2.00%.

With no further business to come before the Board, motion to adjourn 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 and Ami Neff.

The meeting was adjourned at 10:43 a.m.

Ami Neff, Board Chair