

**BOARD MEETING
MAY 13, 2020
9:00 A.M.
MT. OLYMPUS IMPROVEMENT DISTRICT
3932 SOUTH 500 EAST**

SUMMARY

- 1. WELCOME AND INTRODUCTIONS**
- 2. MINUTES OF BOARD MEETING – MARCH 20, 2020**
- 3. FINANCIAL INFORMATION**
 - A. REVIEW MT. OLYMPUS PAYABLES AND DISBURSEMENTS**
 - B. REVIEW CENTRAL VALLEY INVOICE**
 - C. REVIEW FINANCIAL REPORT**
- 4. 9:15 A.M. PRESENTATION OF AUDIT REPORT FOR THE YEAR ENDED DECEMBER 31, 2019 BY KEDDINGTON & CHRISTENSEN, CERTIFIED PUBLIC ACCOUNTANTS**
- 5. PRESENTATION OF URS AUDIT REPORT**
- 6. CENTRAL VALLEY REPORT – GILES DEMKE**
 - A. ENTITY MANAGERS MEETING REPORT**
- 7. MANAGER'S REPORT**
 - A. PERSONNEL REVIEW**
 - B. OPERATIONS REPORT**
 - 1. UPDATE ON DAILY'S PREMIUM MEATS**
 - 2. UPDATE ON HOLLADAY HILLS REDEVELOPMENT**
 - C. WEFTEC CONFERENCE UPDATE**
- 8. 10:00 A.M. PRESENTATION BY MILLCREEK CITY – MEDTECH CRA**
- 9. INFORMATION ITEMS (NO ACTION REQUIRED)**
 - A. DISTRICT ACTIVITY REPORTS**
 - B. CENTRAL VALLEY FLOW & LOAD REPORT**
 - C. UTAH PUBLIC TREASURER'S POOL YIELD**

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

GUESTS: **PHYL WARNOCK FROM KEDDINGTON & CHRISTENSEN CPA**
 MIKE WINDER & JOSIE ANGERHOFER FROM MILLCREEK CITY

PRESIDING: **CHAIR, JOHN NORTON**

1. WELCOME AND INTRODUCTIONS

Welcome and introductions were done.

2. MINUTES OF BOARD MEETING – MARCH 20, 2020

Motion to approve the March 20, 2020 Board Meeting minutes, as written, was made by Trustee Ami Neff and seconded by Trustee Giles Demke. The motion was approved by unanimous vote, those voting in favor: Ami Neff, Giles Demke, and John Norton.

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

B. REVIEW CENTRAL VALLEY INVOICE

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

C. REVIEW FINANCIAL REPORT

After review and discussion the Financial Report was accepted for filing by Board Members.

4. 9:15 A.M. PRESENTATION OF AUDIT REPORT FOR THE YEAR ENDED DECEMBER 31, 2019 BY KEDDINGTON & CHRISTENSEN, CERTIFIED PUBLIC ACCOUNTANTS

Copies of the audit report were provided to Board Members for their review. Mr. Warnock thanked the Board for the opportunity to provided audit services to the District. He then stated that the financial statements are prepared by the District and that the District is responsible for the financial statements being audited. The audit found there were no material misstatements in the financial report.

The first report in the audit package is the audit report and it is a clean or unqualified report.

The District is in compliance, in all material respects, with general compliance requirements as reported in the State Legal Compliance report and with internal controls as reported in the Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards.

Mr. Warnock then asked the Board if they had any questions regarding the audit. Trustee Norton stated we appreciated their work on the audit.

After review and discussion, motion to approve and accept the Audit Report for the year ended December 31, 2019 by Keddington & Christensen was made by Trustee Giles Demke and seconded by Trustee Ami Neff. The motion was approved by unanimous vote, those voting in favor: Ami Neff, Giles Demke, and John Norton.

5. **PRESENTATION OF URS AUDIT REPORT**

Controller Rohwer stated that the URS does an audit of the District's administration of the Utah Retirement Systems' Public Employees' Noncontributory Retirement System about every three years. The District was audited this year and we received a notification letter dated March 24, 2020 from URS that the District was in compliance with employer responsibilities in the administration of the Utah Retirement Systems' Public Employees' Noncontributory Retirement System.

6. **CENTRAL VALLEY REPORT – GILES DEMKE**

Trustee Demke reported on Central Valley's March and April 2020 board meetings.

March 25, 2020

- ***General Manager Comments*** –
 - Phil Heck reported on the earthquake and its effects on the facility. There was some damage to the sludge silos, with damage to one of the hoppers but no structural damage to any of the buildings. Power was lost but the diesel engines provided the necessary power. They did discover that they did not have enough fuel storage and the ability to move it. They are looking into how to resolve the fuel situation and at acquiring more generators.
 - ***Covid-19*** – Central Valley is considered a critical facility. They help provide certified water and wastewater resources so they are working with various agencies to help with any issues related to those resources. They have had employees work various shifts to help with social distancing issues which resulted in overtime. They are not starting any new projects but continue with ongoing projects and plant operations as normal.
 - ***Flushable Wipes*** – Central Valley is working with WFWQ to send out information on wipes.
- ***Financial Audit*** – Dean Austin from Keddington & Christensen presented the audit report for December 31, 2019. Central Valley's audit is a clean or unqualified audit and they are also in compliance with generally accepted auditing principles. The financial audit was then approved.
- ***Retirement Committee Report*** – Justin Zollinger reported that they are working on options for investment funds and also some social security issues employees are experiencing.
- ***Awarded Contracts*** –
 - ***Dumpster-Veyors for the Headworks Project*** – The contract was awarded to D.R. Cordell & Associates at a cost of \$214,495.67.
 - ***Contract for Dumpster-Veyors for the Nutrient Removal Project*** – This contract was also awarded to D.R. Cordell & Associates at a cost of \$226,504.26 and included two dumpster-veyors that will be delivered in 2022/2023 at a cost of \$229,504.26.
 - ***Contract for Nutrient Removal Project – Blower Building*** – This contract was awarded to Alder Construction a cost of \$49,479,499.
- ***Covid-19 Action Plan/Policy*** – On March 12, 2020 Central Valley initiated a Covid-19 Action plan. This plan will be updated as new and evolving information is received by the CDC or the Health Department.

6. **CENTRAL VALLEY REPORT – GILES DEMKE (CONTINUED)**

- ***Electronic Meetings*** – Due to the Covid-19 Action plan and the need for social distancing the Board needed to pass a new policy/procedure with regard to electronic meetings which they did.
- ***Capital Projects*** – A drone presentation was presented on the following projects:
 - Engine Generator Replacement Project
 - SSL Force Main Project
 - Nutrient Removal Design Project

April 22, 2020

- ***General Manager Comments*** –
 - As you may recall Phil Heck reported on the earthquake damage that was done to the sludge silos. They have heard back from the insurance company and due to the fact that the repair cost is less than the deductible they will not cover any of the repair costs. They hired a structural engineering firm to assess the damage and give them a bid to bring them up to code.
 - Central Valley will be mailing out letters to local businesses advising them of new regulations regarding the disposal of pharmaceuticals into the sewer system.
 - Covid-19 Update – Central Valley is situated in an area where the homeless population is very high, so exposure is high but they had no cases of the virus. All employees have been supplied with appropriate PPE necessary to perform their duties. They are also participating in a study with U of U and various other agencies which looks at the effect Covid-19 has in wastewater.
 - Ipads for Board Members – Central Valley is considering giving Ipads to each Board Member for use in conducting electronic meetings. A poll will be taken to see which of the members would be interested.
- ***Capital Projects*** – A drone presentation was presented on the following projects:
 - Engine Generator Replacement Project – they are installing the recirculation pumps on the heat recovery system. They've got engine number two set and are working on the electrical and the exhaust piping.
 - SSL Force Main Project – work on the SSL Force Main is continuing.
 - 3W Project – they relocated the lines feeding the golf course. They are installing the de-watering wells for the excavations.
 - Headworks Project – work has started and they have demoed the stairs in the grit room; they have excavated the floor about 12 feet for the new seismic room walls.
 - The BNR project for nutrient removal went out to bid a couple of months ago but was delayed again and is due back May 12, 2020. The construction permit from the Division of Water Quality was received on April 6, 2020.
- ***Financial Report*** – Justin Zollinger presented the March 31, 2020 financial report. Compost revenue is up dramatically from previous years. Only 4 percent of their capital has been spent to date.
- ***3W Pumps Contract*** – This contract was awarded to Nickerson for fourteen 3W pumps at a cost of \$604,341.

6. **CENTRAL VALLEY REPORT – GILES DEMKE (CONTINUED)**

- ***Fairfield City Request*** – After review and discussion it was approved to allow Fairfield City to place a sign on Central Valley property and negotiate an agreement with them.

A. **ENTITY MANAGERS MEETING REPORT**

Manager Eppich stated they have not had the manager's meeting yet so he will report back to the Board next month.

7. **MANAGER'S REPORT**

A. **PERSONNEL REVIEW**

Manager Eppich reported that the following employees will have anniversaries as follows:

April:

Mike Cox' anniversary is April 6th. He will have been with the District for 22 years.

Vincent Willis' anniversary is on April 30th. He will have been with the District for 8 years.

Kevin Thomas' anniversary is on April 30th. He will have been with the District for 8 years.

Lance Titmus anniversary is on April 23th. He will have been with the District for 2 years.

May:

Karl Faulkner's anniversary is on May 14th. He will have been with the District for 36 years.

June:

Paul Silcox's anniversary is on June 30th. He will have been with the District for 23 years.

Zack Stevens' anniversary is on June 30th. He will have been with the District for 23 years.

All are doing a good job.

As far as the Covid-19 issue is concerned we've had four employees tested. Three have come back negative and we are waiting for the results of the last one tested.

B. **OPERATIONS REPORT**

1. **UPDATE ON DAILY PREMIUM MEATS**

Provided to the Board were copies of the Wastewater Project Weekly Update emails. Daily's sent a letter to Central Valley asking for an extension on their permit due to the Covid-19 pandemic. They stated there were disruptions in the supply chain due to the effects of the pandemic. They are requesting an extension of 45 days to July 15, 2020. Central Valley responded with a letter to Daily's stating they needed to provide documentation within five days of receiving the letter supporting the schedule disruption. A decision will be made after review of the documentation from Daily's.

7. **MANAGER'S REPORT (CONTINUED)**

B. OPERATIONS REPORT (CONTINUED)

2. UPDATE ON HOLLADAY HILLS REDEVELOPMENT

Engineer Ayala stated that the developers of the Holladay Hills Redevelopment have been very difficult to work with. They are trying to put the whole project through a 10 inch line which is not adequate for this size of project. It was decided that we would allow them to get a permit to boar a certain section of the project. We have told them they needed to get the easements in place and that fees had to be paid, etc. They are also asking for approvals for all the blocks not just sections/parts that they are working on. This creates problems for us as far a billing and keeping track of the progress going forward.

The Board suggested we stand firm on our standards and force them to go through the regular processes that we do with everyone else and meet those standards.

C. WEFTEC CONFERENCE UPDATE

A discussion was had on who will be attending the conference and how they plan to proceed with the conference. Manager Eppich stated he will not be attending this year. Trustees Norton and Neff stated they will not be attending as well. Trustee Demke will get back to us on what his plans will be.

8. **10:00 A.M. PRESENTATION BY MILLCREEK CITY – MED TECH CRA**

Welcomed into the meeting was Mike Winder and Josie Angerhofer from Millcreek City.

Mike gave a short presentation for a proposed addition of a 5 story tower to the north side of the existing hospital buildings facing 3900 South. This project would add more procedure rooms, extra patient rooms and a new entry.

The CRA will also provide support for the Promise Program at Mill Creek Elementary School, improve health care in the community and strengthen our tax base.

The budget for the proposed Med Tech Community Reinvestment Area (CRA) for the 20 years is \$10,073,849. In the past CRA between the District and Millcreek they used a 20 percent pass-through. Millcreek is proposing a 30 percent pass-through with this CRA.

After review and discussion, motion to move forward to work on an interlocal agreement for the Millcreek Med Tech CRA was made by Trustee Giles Demke and seconded by Trustee Ami Neff. The motion was approved by unanimous vote, those voting in favor: Ami Neff, Giles Demke, and John Norton.

9. **INFORMATION ITEMS (NO ACTION REQUIRED)**

A. DISTRICT ACTIVITY REPORTS

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

9. INFORMATION ITEMS (NO ACTION REQUIRED) (CONTINUED)

B. CENTRAL VALLEY FLOW & LOAD REPORT

A copy of the current Central Valley Flow & Load Report was provided for Board review.

C. UTAH PUBLIC TREASURER'S POOL YIELD

The Utah Public Treasurer's Pool Yield for April 2020 was 1.42%.

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

The meeting adjourned at 11:20 a.m.

John Norton, Board Chair

