

MINUTES OF THE REGULAR MEETING OF THE BOARD OF TRUSTEES, MIDVALLEY IMPROVEMENT DISTRICT, HELD AT 160 EAST 7800 SOUTH, MIDVALE UTAH 84047 ON FEBRUARY 13, 2019 AT THE TIME OF 12:00 NOON, PRUSUANT TO NOTICE.

BOARD OF TRUSTEES PRESENT

QUINN SPERRY - CHAIRMAN

SONDRA SMITH

BLAKE ROEMMICH - EXCUSED

OTHERS PRESENT

BRAD M. POWELL, DISTRICT MANAGER

CATHY KINGSBURY, TREASURER

BRENT E. CHRISTENSEN, CHIEF FINANCIAL OFFICER, DISTRICT CLERK

RICK CECALA, OPERATIONS SUPERVISOR

Meeting was called to order at 12:11 PM by Chairman Quinn Sperry.

1. PUBLIC COMMENTS

No one in attendance

2. MINUTES

- a. **Upon motion** made by Ms. Smith, Seconded by Mr. Sperry and passed unanimously, the Board approved the minutes of the Board Meeting held on December 12, 2018. Mr. Sperry stated there was not a meeting in January 2019.

3. ATTORNEY REPORT

Mr. Sperry explained the Attorney, Mark Bell, is attending the State Legislative session and would not be attending the Board meeting. Mr. Bell thought there were issues that were going to be discussed at the Legislative session that could impact the District.

4. GENERAL MANAGER/ENGINEERING REPORT

- a. Mr. Powell updated the board on the vehicle status stating the 2019 Ford F-150 sold for \$45,500, the asking price. Mr. Powell advertised the truck on a Thursday and on Tuesday, with no other bids, the truck was sold to Mr. Jones for \$45,500. Mr. Powell stated there will be another Ford Truck sold next month.
- b. Mr. Powell gave a little background on the District's Design Standards and Construction Specifications. The Specifications call for a \$500 fee when a developer submits plans to the District for review. In addition, before construction begins, the developer is

required to post a 120% bond for construction and warranty of the project. With the bond an engineering/inspection fee of 6% is included plus \$400 per manhole. Generally the fees we have collected have been sufficient for our supervisor or assistant supervisor to spend two or three hours inspecting the facility. However, recently there has been occasions where the District's employees have to spend hours each day on one project making sure things are done right. It's Mr. Powell's opinion that the developer should pay for all of the extra inspections and any time the camera truck or cleaning truck is needed during the construction.

Mr. Powell has been working on standard fees for the District and has asked the supervisor and assistant supervisor to determine hourly costs for the camera and cleaning truck when used to help a developer. Mr. Powell will bring these items back to the Board when he has a resolution with the new fees.

- c. Mr. Powell stated the plotter is 7 years old and has worked well until recently; it has difficulty working with Windows 10. Monsen Engineering, the State Contract dealer for HP plotters has made an offer for us to upgrade to a newer plotter and they will give us a \$1,500 trade-in on a new \$5,000 plotter.

Mr. Powell would recommend that the Board approve the purchase of a new plotter from Monsen Engineering for \$3,690 (including freight, set-up and on-site training).

Upon Motion made by Mr. Sperry, Seconded by Ms. Smith and passed unanimously, the Board approved to purchase a new Hewlett Packard Plotter from Monsen Engineering for \$3,690 (after the \$1,500 trade-in).

- d. Mr. Cecala reported on construction in the District stating there are approximately 17 projects going on in the District. Hillcrest High School set their first manhole this week and construction is going well.

Mr. Sperry stated there may be another development at approximately 7600 South 700 East. Mr. Cecala stated they have been trying to develop that piece of property for years.

- e. Mr. Cecala stated he met with the new CUES representative concerning the purchase of a new camera truck; the District's current camera truck is 7 years old. Mr. Cecala stated it takes approximately a year to have a truck built to the District's specifications. The CUES representative will get back to Mr. Cecala with the cost of a new truck and he will bring this item back to the Board.

5. REVIEW, APPROVE AND RATIFY CASH DISBURSEMENTS

Upon Motion made by Ms. Smith, Seconded by Sperry and passed unanimously, the Board ratified the December 2018 cash disbursements for \$249,516.42.

Upon Motion made by Ms. Smith, Seconded by Mr. Sperry and passed unanimously, the Board ratified the December 2018 employee earnings for \$135,264.

Upon Motion made by Ms. Smith, Seconded by Mr. Sperry and passed unanimously, the Board ratified the January 2019 cash disbursements for \$400,595.85.

Upon Motion made by Ms. Smith, Seconded by Mr. Sperry and passed unanimously, the Board ratified the January 2019 employee earnings for \$197,543.

6. OFFICE REPORT

Ms. Kingsbury reported she will be attending an election meeting at Salt Lake County in March. There is one seat up this year and that is Chairman Sperry's seat.

7. CHIEF FINANCIAL OFFICER'S REPORT

- a. Mr. Christensen presented the balance sheet for December 2018. The District is financially healthy the only major risk the District has is if there was a major earthquake, all equipment and pipes above the ground are insured, however, the sewer lines below the ground are not insured. He felt that it was prudent to have a healthy reserve in case of emergencies.

He stated that the District received about \$1,180,000 in property tax revenues in November and December of last year. Therefore, the PTIF savings account appears high, however, this money will be used all of this year to fund operations. The Compensated Absences payables have dropped from 2017 because Mr. Jones was cashed out on his sick and vacation time upon retirement.

- b. The Profit & Loss Year-to-Date Comparison to the Prior Year report for the year, ending December 31, 2018, was presented. Mr. Christensen stated there were no surprises but the District showed an increase of sewer treatment fees \$188,000 over the prior year, however, we just received notification that we will be getting a refund of \$169,000. Under "Non-Operating Revenues" the increase is due to the District receiving more investment income than the prior year. The interest rates have risen from the prior year in both the Public Treasurer's Investment Fund and our investments.
- c. The Profit & Loss Year-to-Date Budget vs Actual Report for the year ending December 31, 2018 was presented. He pointed out that the budget was amended in December 2018, therefore, many of the budget line items were within budget. He did point out that the District had received over \$52,000 in impact fees than was originally budgeted.

8. TRUSTEES REPORT

Ms. Smith thanked the staff for a very nice retirement party for Mr. Jones.

Adjourn Upon unanimous vote by the Board, the meeting was adjourned at 12:56 PM.