

**Board Meeting Minutes
December 13, 2012**

**MINUTES OF THE
REGULAR MEETING
OF THE BOARD OF TRUSTEES OF
MAGNA WATER DISTRICT**

A regular meeting of the Board of Trustees of the Magna Water District was held Thursday, December 13, 2012, at 3:00 p.m. at the District's offices at 2711 South 8600 West, Magna, Utah.

Trustees Present:

Hank Johnson, Chairman
Doug Bezzant
Mick Sudbury

Staff Present:

Brent Williams, General Manager
LeIsle Fitzgerald, District Controller
Kim Bailey, Water Operations Manager
Steve Williams, Wastewater Operations Manager

Also Present:

David Hartvigsen, Smith Hartvigsen, PLLC
Don Olsen, Epic Engineering
Dan Peay, Magna Resident
Jack Weiss, Magna Resident

Call to Order:

Hank Johnson called the regular board meeting to order at 3:10 p.m. and welcomed the public.

Welcome the Public and Guests.

Approval of Consent Items:

Minutes of Board meetings held November 15, 2012: A motion was made by Mick Sudbury, seconded by Doug Bezzant to approve the regular board meeting minutes dated November 15, 2012. The motion was approved as follows: Hank Johnson, yea, Mick Sudbury, yea and Doug Bezzant, yea.

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Expenses for November 10, 2012 to December 7, 2012: A motion was made by Mick Sudbury, seconded by Doug Bezzant, to approve the expenses in the amount of \$415,167.83. The motion was approved as follows: Hank Johnson, yea, Mick Sudbury, yea and Doug Bezzant, yea.

Bond Payment to Zion's Bank: A motion was made by Mick Sudbury, seconded by Doug Bezzant, to approve the bond payment to Zion's Bank in the amount of \$103,555.56. The motion was approved as follows: Hank Johnson, yea, Mick Sudbury, yea and Doug Bezzant, yea.

Public Comments: Dan Peay asked if it would be possible for some of the District employees to help the Chamber of Commerce hand out Christmas candy to the elementary schools. Board gave approval.

Motion to approve Resolution 2012-06 regarding the adoption of the 2013 final budget. A motion was made by Doug Bezzant, seconded by Mick Sudbury, to approve the Resolution 2012-06 to adopt the 2013 final budget. The motion was approved as follows: Hank Johnson, yea, Doug Bezzant, yea, and Mick Sudbury, yea.

Consider approval of the 2013 meeting schedule. A motion was made by Mick Sudbury, seconded by Doug Bezzant, to approve the 2013 meeting schedule. The motion was approved as follows: Hank Johnson, yea, Doug Bezzant, yea and Mick Sudbury, yea.

Motion to approve the second addendum to the agreement between Magna Water District and Teamsters Local 222. A motion was made by Doug Bezzant, seconded by Mick Sudbury, to approve the second addendum to the agreement between Magna Water District and Teamsters Local 222 revising the levels for new hires. The motion was approved as follows: Hank Johnson, yea, Doug Bezzant, yea and Mick Sudbury, yea.

Discussion and possible motion to approve Resolution 2012-07 on proposed changes to the District's Administrative Rules and Regulations adding a page on surcharges that was missing from Addendum A: Brent indicated to the Board that this resolution places a section that was missing from Addendum A on surcharges of discharge permits. A motion was made by Doug Bezzant, seconded by Mick Sudbury, to approve the 2012-07 Resolution. The motion was approved as follows: Hank Johnson, yea, Doug Bezzant, yea and Mick Sudbury, yea.

Motion to approve the amendment to the Magna Water District 401(k) plan to comply with changes in IRS guidelines: A motion was made by Doug Bezzant, to revise the District 401(k) plan to comply with the IRS guidelines as follows: Resolved that the Plan be amended in the form attached hereto, which amendment is hereby adopted and approved; Resolved Further: That the appropriate offices of the Company be and they hereby are, authorized and directed to execute said amendment of behalf of the Company; Resolved further that the officers of the Company be and they hereby are, authorized and directed to take any and all actions and execute

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and deliver such documents as they may deem necessary, appropriate or convenient to effect the foregoing resolutions including, without limitation, causing to be prepared and filed such reports documents or other information as may be required under applicable law. The motion was seconded by Mick Sudbury and approved as follows: Hank Johnson, yea, Doug Bezzant, yea and Mick Sudbury, yea.

Discussion and possible motion on purchasing underground water rights from Chad

Brady: Brent indicated to the Board that Chad Brady approached the District and wanted to sale 2 underground water rights. The amount that was offered was \$800 per acre foot. The water is calculated to be 2 acre feet of water. Chad Brady will have to do all of the leg work to get it transferred to the District. Whatever amount was able to be transferred to the District is what the District would pay for. The maximum amount would be \$1,600. A motion was made by Doug Bezzant, seconded by Mick Sudbury to approve the purchase of the underground water rights. The motion was approved as follows: Hank Johnson, yea Doug Bezzant, yea and Mick Sudbury, yea.

Discussion and possible motion on renting equipment for operators challenge training in the amount of \$2,400.

A motion was made by Mick Sudbury, seconded by Doug Bezzant, to approve the renting of the equipment for the operator's challenge training in the amount of \$2,400. The motion was approved as follows: Hank Johnson, yea, Mick Sudbury, yea, and Doug Bezzant, yea.

Discussion and possible motion to approve the Teancum Properties project located at 2215

S 7200 W: A motion was made by Doug Bezzant, seconded by Mick Sudbury, to approve the Teancum Properties project. The motion was approved as follows: Hank Johnson, yea, Doug Bezzant, yea and Mick Sudbury, yea.

Discussion and possible motion to approve the Freeport West Valley Industrial Park project located west of Rocky Mountain Raceway:

A motion was made by Mick Sudbury, seconded by Doug Bezzant, to approve the Freeport West Valley Industrial Park contingent upon having to loop the lines to 2820 if needed to meet fire flow requirements. The motion was approved as follows: Hank Johnson, yea, Doug Bezzant, yea and Mick Sudbury, yea.

Discussion and possible motion to approve the Maverick project located on 7200 W:

A motion was made by Mick Sudbury, seconded by Doug Bezzant, to approve the Maverick project. The motion was approved as follows: Hank Johnson, yea, Doug Bezzant, yea and Mick Sudbury, yea.

Discussion and possible motion to approve the Arbor Park Shopping Center project

located at 8400 W 3500 S: A motion was made by Mick Sudbury, seconded by Doug Bezzant, to approve the Arbor Park Shopping Center project. The motion was approved as follows: Hank Johnson, yea, Doug Bezzant, yea and Mick Sudbury, yea.

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Water Distribution/Production:

1. **Water production report:** Kim Bailey indicated to the Board that water production was up 1% for November and up 20% year to date. Average 2.4 MGD.
2. **Call out report:** Kim informed the Board that there were 4 call outs for leaks; 3 were customer side and one mainline break, one meter cover that was loose, had two customers that had no water, they were both determined to be their pressure regulators.
3. **Update on Haynes well #4 replacement project:** All the screen and blank cases are being installed start surveying on Monday, design for the building will be started. They will start test pumping now for about a week.

WWTP Operation/Collection System:

Call out report: Kim reported that the wastewater treatment plant had no call outs. One of the guys had a call out for a leak in a vacant house.


Update on Administration Building: Clint Dilley presented the plans to the Town Council and was approved next week they attend the Community Council and in January they go to Salt Lake County Planning Commission.

Other Business:

Employee luncheon sponsored by Epic Engineering December 20, 2012.

LeIsle indicated to the Board that the Worker's Compensation quote come in and wanted direction on how to proceed. The amount of the quote has been included in the budget. The amount quoted is \$21,753.00. Board directed to proceed with the Worker's Compensation Fund of Utah.

Adjourn: Motion was made by Doug Bezzant, seconded by Mick Sudbury, to adjourn the meeting at 4:06 p.m. Motion was approved as follows: Hank Johnson, yea, Mick Sudbury, yea and Doug Bezzant, yea.


Attest


Chairperson

**Budget Public Hearing Meeting Minutes
December 13, 2012**

**MINUTES OF THE 2012 BUDGET HEARING
OF THE BOARD OF TRUSTEES OF
MAGNA WATER DISTRICT**

A public budget hearing meeting of the Board of Trustees of the Magna Water District was held Thursday, December 13, 2012, at 3:00 p.m. at the District's offices at 2711 South 8600 West, Magna, Utah.

Trustees Present:

Hank Johnson, Chairman
Doug Bezzant
Mickey Sudbury

Staff Present:

Brent Williams, General Manager
LeIsle Fitzgerald, District Controller
Kim Bailey, Water Operations Supervisor

Also Present:

David Hartvigsen, Smith Hartvigsen, PLLC
Don Olsen, Epic Engineering
Dan Peay, Magna Resident
Jack Weiss, Magna Resident

Call to Order:

Hank Johnson declared that the public hearing was open at 3:00 p.m.

Verification that legal notification requirements have been met:

Hank Johnson informed the public that the legal notification requirements have been met by the following:

Notice of this public hearing was published in the Salt Lake Tribune, newspaper of general circulation in the State of Utah, on December 6, 2012. The notice was also published on the Public Meeting Website. All requirements for notice of this public hearing were duly given according to Utah law.

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Board questions: Doug Bezzant inquired about the \$45,000 in the capital acquisitions section of the secondary water system and why the amount was in the secondary system. Brent indicated that it was a portion of the budgeted amount of land purchase. A portion was in culinary and a portion was in secondary for property for the secondary system in a proposed zone in the District.

Board chair opened the public meeting up for comments by the public.

Public Comments:

Jack Weiss inquired about how much was still owed on the bond for the EDR facility. Brent and LeIsle indicated that the principle balance of those loans were \$16,983,000, paid off in 2029.

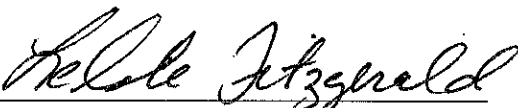
Motion to close public comment session:

Doug Bezzant made a motion to close the public comment period at 3:07 pm. The motion was seconded by Mick Sudbury and approved as follows: Hank Johnson, yea, Doug Bezzant, yea and Mick Sudbury, yea.

Doug Bezzant inquired about the percentage change from 2012 to 2013 budget. LeIsle responded that the overall expenses decreased by 1.9%.

Mick Sudbury inquired about the shop parking lot project that a portion of the project was budgeted for in 2012. He wondered where that money was. LeIsle indicated that is in the beginning cash balance in the cash projected flow for capital improvements.

Adjourn: Motion was made by Mick Sudbury and seconded by Doug Bezzant to adjourn the meeting at 3:10 p.m. Motion was approved as follows: Hank Johnson, yea, Mick Sudbury, yea, and Doug Bezzant, yea.



Attest



Chairperson