

**MINUTES OF THE
REGULAR BOARD 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, March 26, 2015, at 3:00 p.m. at the WWTP Administration Office, 7764 W 2100 S, and Magna, Utah.

Trustees Present:

Georgia York, Chairman
Mick Sudbury
Jeff White

Staff Present:

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

Also Present:

Clint Dilley, Epic Engineering
David Hartvigsen, Smith Hartvigsen PLLC
Clint Rogers, Carollo Engineers
Rick Nuesmeyer, Magna Resident
Jack York, Magna Resident
Dick Bezzant, Magna Resident
Jim Nicholas, Magna Resident
Phyl Warnock, Keddington & Christensen, CPA
Laura Jo McDermid, Chamber of Commerce
Joel Workman, AQS Environmental Science
Greg Christensen, JWCD Board

Call to Order:

Georgia York called the meeting to order.

Pledge of Allegiance.

Does anyone at this meeting have any conflict of interest with anything on this agenda?

Chairman asked this question, reply was no.

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Welcome Public Guests.

Georgia York welcomed the public and guests.

Approval of Common Consent Items:

Minutes of the regular board meeting held February 5, 2015: A motion was made by Mick Sudbury to accept the minutes, the motion was seconded by Jeff White and approved as follows: Georgia York, yea, Jeff White, yea and Mick Sudbury, yea.

Minutes of the special board meeting held February 19, 2015: A motion was made by Mick Sudbury to accept the minutes, the motion was seconded by Jeff White and approved as follows: Georgia York, yea, Jeff White, yea and Mick Sudbury, yea.

Expenses for February 1, 2015 to March 21, 2015: A motion was made by Mick Sudbury to approve the expenses from February 1, 2015 to March 21, 2015 in the amount of \$825,090.08 and seconded by Jeff White. The motion was approved as follows: Georgia York, yea, Jeff White, yea and Mick Sudbury, yea.

Zion's Bank bond payment approval: A motion was made by Mick Sudbury, seconded by Jeff White, to approve the Zion's bank bond payment in the amount of \$88,984.61. The motion was approved as follows: Mick Sudbury, yea, Georgia York, yea and Jeff White yea.

Public Comments:

Chair asked if anyone in attendance would like to make a comment at this time, there was no comment.

Discussion and possible motion on the distribution of the water conservation pamphlet, including magnet, to the residents of the District in April of 2015:

Pamphlet	\$2,588.94
Magnet	\$3,196.00
Mailing/Fulfillment	\$ 855.00
5% Discount	<u>\$ -322.00</u>
Total	\$6,307.94
Estimated Postage Price	<u>\$2,200.00</u>
Total for Project	\$8,507.94

A motion was made by Mick Sudbury to send the pamphlets and not magnets and use the money for software upgrades to promote conservation. The motion was not seconded and died. Another motion was made by Jeff White, seconded by Georgia York, to approve sending the pamphlet and the magnets to the residents in April for the cost of \$8,507.94. The motion was

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approved as follows: Georgia York, yea, Jeff White, yea and Mick Sudbury, nay.

Discussion and possible motion to approve the award of the 2014 annual audit to Keddington & Christensen, CPA's, for an amount not to exceed \$12,500: A motion was made by Mick Sudbury to award the 2014 audit services to Keddington & Christensen, CPA's, the motion was seconded by Jeff White and approved as follows: Georgia York, yea, Mick Sudbury, yea, and Jeff White, yea.

Discussion and possible motion to award the Exodus Secondary Waterline project to lowest responsive bid from Noland and Son Construction for \$115,482: Terry Pollock explained to the Board that the lowest bid was Newman Construction but they did not acknowledge the addendum No 1. Of the qualified contractors that submitted bids, there was only one contractor that acknowledged the addendum, who was Noland and Sons Construction. Their bid was the second lowest bidder and acknowledged the addendum. The bid came in \$7,103 lower than the engineer's estimate. Staff and engineers recommended that the project be awarded to Noland and Sons Construction in the amount of \$115,482. A motion was made by Jeff White, seconded by Mick Sudbury, to award the project to Noland and Sons Construction for \$115,482. The motion was approved as follows: Georgia York, yea, Mick Sudbury, yea and Jeff White, yea.

Discussion and possible motion to approve the premiums for the period 4/01/2015 to 3/31/2016 for management health, dental, vision, disability & life insurance benefits: LeIsle explained that the amount of the premiums were not available at the time the agenda was posted. She also informed the board that the history of premiums were as such: 2014 the premiums were \$7,788.80, when there were additional changes made with employees and because of Obama Care, the premiums have been \$6,409.96/month, \$6,348.06, \$5,546.00. She explained that the new premium is \$6,652.09 for Regence Blue Cross Blue Shield. Dental Select & Vision premiums for dental are going from \$488.33 to \$528.60 for active management and two retirees. A motion was made by Mick Sudbury, seconded by Jeff White, to approve the increase to the management health and dental premiums to \$7,210/month. The motion was approved as follows: Georgia York, yea, Mick Sudbury, yea, Jeff White, yea.

Discussion and possible motion to list on the market to sale the current main office location: Terry Pollock indicated to the Board that he wanted permission to have an appraisal done of the Office and list the property for sale to be able to get a feel for the interest in the property. Mick Sudbury explained that he had talked with Terry about listing the office, and if it does sale, the District may have to lease back until they are ready to move. He was concerned that there would be a vacant building on main street, which is not what the District intends to have happen. A motion was made by Mick Sudbury, seconded by Jeff White, to have the office building inspected and appraised then place the property and building on the market. The motion was approved as follows: Georgia York, yea, Mick Sudbury, yea, yea and Jeff White, yea.

Discussion and possible motion on the District's liability, vehicle, and property insurance carrier: Chair explained that the District was unable to receive the complete information to make a true evaluation of the District's insurance carrier and entertained a motion to table the

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discussion item to a later board meeting. A motion was made by Jeff White, seconded by Mick Sudbury, to table this item. The motion was approved as follows: Georgia York, yea, Mick Sudbury, yea and Jeff White, yea.

Discussion and possible motion to execute the Interlocal Cooperation Agreement between MWD and Salt Lake County Clerk Elections Division for election services for the upcoming November 2015 trustee election, for a good faith estimate of \$15,587.30: LeIsle indicated to the Board that last year the cost of the election was approximately the same at \$15,000. The election will be a mail-in ballot only. There will be a polling place open on Election Day for those that want to vote in a location that day. Salt Lake County will specify the location at that time. LeIsle also indicated that the declaration of candidacy will be from June 1, 2015 to June 8, 2015. A motion was made by Jeff White, seconded by Mick Sudbury, to approve the Interlocal Cooperation Agreement between MWD and Salt Lake County Clerk Elections Division for election services for a good faith estimate of \$15,587.30. The motion was approved as follows: Georgia York, yea, Mick Sudbury, yea and Jeff White, yea.

Discussion and possible motion to approve the payment of the Waiver of Recourse Premium in the amount of \$25.00 for LeIsle Fitzgerald to continue to sit on the Board of the Utah-Idaho Teamsters Security Fund. The Fund is paying 90% of the premium: LeIsle Fitzgerald explained to the Board and those present that she sits on the Board of the Teamsters Local 222 insurance fund. The Board is made up of 6 union members and 6 employer representatives. There is no conflict of interest associated with representation of Magna Water District as an employer of Local 222. In the event there is liability or loss that occurs by reason of the act or omission of a fiduciary, and if the insurer has recourse against the fiduciary, the fiduciary carrier can settle the claim with the insured, then in turn sue the trustees to recover the carrier's loss. The "waiver of recourse" premium is paid to include in the policy an "elimination of recourse" in order to prevent the trustees from being sued. The premium runs from 01/01/2015-01/01/2016. A motion was made by Mick Sudbury, seconded by Jeff White, to approve that the District pay the \$25.00 premium on behalf of LeIsle Fitzgerald to Utah-Idaho Teamsters Security Fund. The motion was approved as follows: Georgia York, yea, Mick Sudbury, yea, and Jeff White, yea.

Discussion on the status of the purchase of the property for Zone 3 water system: Terry informed the Board that the property closing should be happening this next week. All papers have been reviewed by David, and will be signed next week. The purchase of the property came in \$50,000 under budget.

For information only, Utah Local Government Trust is giving the District a Liability Program Dividend in the amount of \$4,541.81: For Trustees information. The Trust is giving a dividend to members based on their loss ratios.

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Water Distribution/Production:

1. **Water production report:** Kim indicated to the board that there was 71 million gallons produced in January, which is about 2.4 MGD. Year to date production compared to this time in 2014 is 8% lower than last year. Month to date production is 7% lower from December 2014.
2. **Call out report:** Kim indicated that there was one main line call out on Washington Road two leak checks, customer side, two sewer back-ups that were the customers lateral.

WWTP Operation/Collection System:

1. **Status of sewer system:** Steve reported that the collection system has experienced a lot of blue stake request due to construction picking up in the District. The collections crew is also continuing to camera and vac the sewer collection lines.

Montclair Street project is under way, there was an onsite meeting this morning with the contractor, and they will be breaking ground around April 2nd or 3rd. The wastewater crew is busy painting, fertilizing the grounds, the plant is running excellent, there is a new area light out in front of the Administration building installed by Rocky Mtn Power, and a camera will be added to the pole for security.

2. **Call out report:** Steve indicated that the wastewater plant had three callouts, which was out of the ordinary. The step screens on the east side of the headworks are showing signs of wear; they have been installed for five years, running continuously. There will have to be maintenance done on the screens this year. The callouts were caused by the screens and staff had to come out to clean the screens. Huber Technology will come in and check the chains, or replace parts to the screens need to be replaced. In August when the fine screens are being installed, Huber will inspect and repair the screens in the headworks at the same time saving the District traveling costs for Huber to travel to Salt Lake.

Other Business:

Discussion and possible motion on attendance to the WEAU Conference held April 28 – 30, 2015 in St. George, UT:

People to attend: Georgia York, Jeff White, Terry Pollock, Steve Williams and the competing participants for the "Challenge": Clint Giles, Robert Jaterka, Dallas Henline, Ed Tucker, Beau Lamper.

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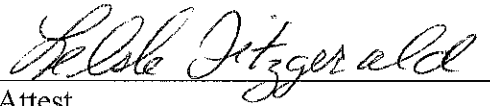
A motion was made by Jeff White, seconded by Mick Sudbury to send the above listed individuals to the WEAU Conference. The motion was approved as follows: Georgia York, yea, Mick Sudbury, yea and Jeff White, yea.

Discussion and possible motion to attend the National AWWA Conference, to be held June 7 – 10, 2015 in Anaheim, CA: This conference is for culinary and storm water professionals. A motion was made by Jeff White, seconded Mick Sudbury, to approve attendance to the Conference, attendees will be determined. The motion was approved as follows: Georgia York, yea, Mick Sudbury, yea, and Jeff White, yea. Chairman casually mentioned that there would be possibly 3 – 4 attendees. Board did not motion on the number of people nor did they motion on the specific individuals that will be attending.

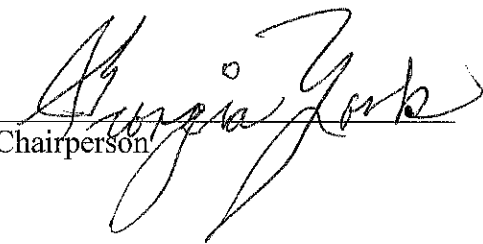
Discussion and possible motion to send LeIsle Fitzgerald to the Utah Government Finance Officers Association conference, April 22 – 24, 2015, St. George, Ut, also to pay membership fees of \$50 to become a member: After a discussion among the Board regarding the attendance and the benefits of the courses, a motion was made by Mick Sudbury, seconded by Jeff White, to allow LeIsle Fitzgerald to attend the Utah Government Finance Officers Association Conference. The motion was approved as follows: Georgia York, yea, Mick Sudbury, yea, and Jeff White, yea.

Discussion on the Union Agreement for the Period June 1, 2012, to May 31, 2015: Terry informed the Board that the Union Agreement will be expiring in May of this year. He wanted to make the Board aware that he has contacted Local 222 representative, Marty Cowin, to get the process started in order to have a new negotiated contract by May 31, 2015.

Adjourn: Having no further business to discuss, the meeting was adjourned at 3:45 p.m.



Attest



Chairperson