

**MINUTES OF THE MEETING OF THE BOARD OF TRUSTEES, MIDVALLEY IMPROVEMENT DISTRICT, HELD AT 160 EAST 7800 SOUTH, MIDVALE UTAH 84047 ON NOVEMBER 9, 2022 AT THE TIME OF 4:00 PM, PRUSUANT TO NOTICE.**

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**BOARD OF TRUSTEES PRESENT**

**SONDRA SMITH – CHAIR  
BLAKE ROEMMICH – VICE-CHAIR  
RONALD SPERRY - TRUSTEE**

**OTHERS PRESENT**

**MARK BELL – ATTORNEY  
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 4:00 PM by Chair Ms. Smith.

**1. PUBLIC COMMENTS/CERMONIES/PRESENTATION**

- a. No one in attendance.

**2. MINUTES – APPROVAL**

- a. **Upon motion** made by Mr. Roemmich, seconded by Mr. Sperry and passed unanimously, the Board accepted the October 12, 2022 minutes as corrected.

**3. ATTORNEY REPORT**

- a. Mr. Bell stated he has been working with the Utah Association of Special Districts on the Critical Infrastructure Records Policy and feels very comfortable with the final policy; Mr. Bell has a Resolution ready for the Board's approval. Mr. Bell stated with the new policy the District's GIS information and system information would only be released through a Government Records Access and Management Act (GRAMA) and will only be released on a need-to- know basis. Mr. Bell stated a developer can request information on the District's lines only on a project they are working on, a home owner can request information on their home but a map of all the District's sewer lines will not be given out.

**Upon motion** made by Mr. Roemmich, seconded by Mr. Sperry and passed unanimously, the Board approved Resolution 2022-11-09A; A Resolution of the Midvalley Improvement District Adopting a Critical Infrastructure Records Policy.

- b. Mr. Bell reported he has a “closed meeting affidavit” for Ms. Smith to sign concerning the closed meeting held on November 1, 2022. The affidavit states; discussed in the closed meeting were matters concerning the character, professional competence, or physical or mental health of one or more individual(s).

Mr. Bell discussed issues that will probably be the first of several summaries for the upcoming Legislative meetings. One difference of discussion is when it concerns impact fees, Special Districts has to give 14-day notice to the public of changes and Municipalities gives only 10 days. Mr. Bell will bring this item back to a future Board meeting.

#### **4. GENERAL MANAGER/ENGINEERING REPORT**

- a. Mr. Powell reported the new Vactor (jet cleaning truck) was delivered to the District on October 31, 2022 and the operators received training on the Vactor on November 2, 2022.

Mr. Powell stated the District’s 2018 Freightliner Vactor is advertised on KSL, Gov Deals and other locations. Mr. Powell also reported the asking price for the 2018 Vactor is \$350,000.

- b. Mr. Powell stated he is on the Board of Directors for Utah Local Governments Trust (Board). The Board has adopted a policy of having each Board Member’s entity approve the Board Member’s compensation annually in an open meeting.

The Board has asked that each member ask their entity to approve the Board Member’s annual compensation for 2023. The compensation is \$300 per Board meeting and \$150 per Executive Committee meeting.

**Upon motion** made by Mr. Roemmich, seconded by Mr. Sperry and passed unanimously, the Board approved Resolution 2022-11-09B; A Resolution of the Midvalley Improvement District Expressing It Support for the Service of the District General Manager as a Member of the Board of the Utah Local Governments Trust, Approving Compensation and Per-Diem Payments and

Expressing Support for Officers' and Employees' Service and Educational Programs, Opportunities and Activities.

- c. Mr. Powell reported the District's Holiday Luncheon will be on December 14, 2022, at 12:00 Noon, at Bandits Restaurant.
- d. Mr. Powell reported on project status in the District:
  - Mr. Powell stated On Wednesday, November 2, 2022 Spade Construction completed the installation of the replacement pipe and prepared the ground for paving for the Union Wood pipeline replacement. Spade Construction plans to have the project complete by November 11, 2022.
  - The CIPP project (pipe-lining) was out for bid and the bid opening was held November 3, 2022 at 10:00 AM at the District office. There were four contractors that bid on the project. The low bid for the CIPP was from Planned and Engineered Construction (PEC) who has done work for the District in the past. The low bid for the project is \$825,950 and the additional alternate bid is \$271,000. Aqua Engineering (District engineering consultant) went through the four bids received and recommends PEC be awarded the CIPP project.

**Upon motion** made by Mr. Roemmich, seconded by Mr. Sperry and passed unanimously, the Board approved to award the 2023 CIPP Project to Planned and Engineered Construction, Inc. in the amount of \$825,950 and table the \$271,000 alternate bid and wait for further clarification on what the alternate bid includes.

- Mr. Powell stated the Impact Fee Facilities Plan (IFFP) project is done and this will be discussed in the Public Hearing. Mr. Powell suggested having Bowen Collin and Associates look at the user rate on the properties that are being charged per water usage. Ms. Smith asked if the apartment complexes are charged the same as other commercial properties. Mr. Powell stated in the past multi-family projects were given a 25% discount but the District's new impact fee proposal does not reflect a discount.

## **5. REVIEW, APPROVE AND RATIFY CASH DISBURSEMENTS**

**Upon motion** made by Mr. Sperry, seconded by Mr. Roemmich and passed unanimously, the Board ratified the October 2022 cash disbursements for \$254,473.68.

**6. OFFICE REPORT**

- a. Ms. Kingsbury handed out the 2023 District's Board monthly meeting schedule and asked the Board to look it over and let her know of any conflicts with dates. Ms. Kingsbury will bring the meeting schedule back, for approval, to the December Board meeting.

**7. CHIEF FINANCIAL OFFICER**

- a. Mr. Christensen reported on the Balance Sheet as of September 30, 2022. He stated the "Balance Sheet" is everything the District owns and owes and the accumulation of current and prior year earnings. Mr. Christensen noted that the Balance Sheet shows a two-year comparison with a column showing the dollar change between years. Mr. Christensen stated there are no unexpected changes.
- b. Mr. Christensen reported on the Profit & Loss Year-to-Date Comparison to Prior Year. Mr. Christensen stated the increase in sewer service fees revenue was expected as the District increased sewer service fees in 2022. Mr. Christensen stated that there were no unexpected changes.
- c. Mr. Christensen reported on Profit & Loss Year-to-Date Budget vs Actual report. He stated we are right in-line with the budget.
- d. Mr. Christensen reported the District received a refund check from our insurance company for \$1,850 because of the District's safety program and our employees were safe with no accident.

**8. SUPERVISOR'S REPORT**

- a. Mr. Cecala reported things are moving along and hopefully a few projects will come on line next year.

**9. TRUSTEES**

- a. The Trustees had no report but Ms. Kingsbury asked a few questions concerning the appointment of the new job, Assistant General Manager, Mr. Bell answered Ms. Kingsbury's questions.

#### **10. CLOSED MEETING**

- a. **Upon motion** made by Mr. Sperry, seconded by Mr. Roemmich and passed unanimously, the Board closed the open meeting and opened a closed meeting to discuss personnel matters.

Members attending the closed meeting are: Chair Smith, Vice-Chair Roemmich, Trustee Sperry, Attorney Mark Bell and General Manager Brad Powell.

**Upon motion** made by Mr. Roemmich, seconded by Mr. Sperry and passed unanimously, the Board closed the closed meeting and opened the open meeting at 5:59 PM.

Mr. Bell reported the closed meeting was related entirely to discussing personnel matters. Mr. Bell will have an affidavit for Chair Smith to sign stating the reason for the closed meeting.

#### **11. APPOINTMENT OF ASSISTANT GENERAL MANAGER**

- a. **Upon motion** made by Mr. Roemmich, seconded by Mr. Sperry and passed unanimously, the Board approved the appointment of Mr. Syme as the Assistant General Manager and his effective start date is November 14, 2022.

#### **12. PUBLIC HEARING 6:00 PM – IMPACT FEE POLICY, IMPACT FEES FACILITY PLAN & IMPACT FEE ANALYSIS:**

- a. Ms. Smith welcomed Brent Packer, Andrew McKinnon and Wyatt Anderson with Bowen, Collin & Associates (BC&A) to present the Impact fee policy, impact fees facility plan and impact fee analysis for the District.

Mr. Bell stated this item will need to be tabled until the December 14, 2022 Board meeting. Mr. Bell stated the advertisement and resolution for the Impact Fee Policy, Facility Plan and Impact Fee Analysis will need to be advertised, with the resolution, 14 days in advance of the public hearing.

**Upon motion** made by Mr. Roemmich, seconded by Mr. Smith and passed unanimously, the Board approved to bring back to the December 14, 2022 Board

meeting; the Impact Fee Policy, Impact Fees Facility Plan and Impact fee Analysis.

### **13. PUBLIC HEARING 6:00 PM – 2023 SEWER SERVICE RATE INCREASE**

- a. Ms. Smith welcomed Brent Packer, Andrew McKinnon and Wyatt Anderson with Bowen, Collin & Associates (BC&A) to present the Sewer Service Rate Increase for the District.

Mr. Anderson presented the District's sewer rate study stating the District last updated their service charges in September of 2019.

Mr. Anderson stated the District faces capital improvement costs, bond service costs (via agreements with South Valley Water Reclamation Facility), as well as maintenance and operation costs which will likely increase in the years to come. Historically high inflation is also affecting the District's ability to keep up with construction costs and escalation in Operation and Maintenance costs.

Mr. Anderson stated there are three challenges facing the District: Future growth will result in additional demands on the system; infrastructure in the District is aging and must be rehabilitated or replaced; and new regulatory requirements require additional treatment plant and system improvements.

Mr. Anderson stated in order to project growth to the year 2050 BC&A reached out to the different entities within the District's boundaries and got their projections for the future which resulted in the water growth to 2050 and converted it to wastewater growth. Mr. Anderson informed the Board that with the growth to the year 2050 it is not believed the District will reach its capacity of 3.84 mgd (million gallons per day) that the District currently owns at the treatment plant.

Mr. Anderson discussed the 10-year improvement projects the District has on record and the total cost of the projects would be roughly \$11,234,800. Mr. Anderson stated the District anticipates using up most of the balance in the reserve account within the next few years as a result of both maintenance and expansion projects needed for the redevelopment within the District.

If the District does not raise sewer service fees the District will run out of money in their reserve account in a few years.

The recommended increases to the sewer rates are shown below which reflects a multiple year rate schedule needed to meet the cost of capital improvements and system renewal:

<u>Year</u>	<u>Monthly User Rates</u>
2022 (Current Rate)	\$24/50/ Month (\$73.20/Quarterly)
2023 (14% Increase)	\$27.90/Month (\$83.70/Quarterly)
2024 (10% Increase)	\$30.70/Month (\$92.10/Quarterly)
2025 (10% Increase)	\$33.80/Month (101.40/Quarterly)
2026 (10% Increase)	\$37.20/Month (\$111.60/Quarterly)
2027 (8% Increase)	\$40.20/Month (\$120.60/Quarterly)

Ms. Smith asked if anyone had any questions, there were no questions from the Trustees and there was no one from the public. The Trustees thanked Mr. Anderson and his team for their presentation.

- b. **Upon motion** made by Ms. Smith, seconded by Mr. Sperry and passed unanimously, the Board approved Resolution 22-11-09C, A Resolution of the Board of Trustees of the Midvalley Improvement District Approving a Sewer Rate Study and Adopting an Increased Monthly Service Fee.

**14. PUBLIC HEARING 6:00 PM – 2023 OPERATING BUDGET**

- a. Mr. Christensen presented the 2023 Operating Budget. Mr. Christensen stated in the year 2023 there can still be changes or amendments made to the budget. The Trustees stated they did not have any questions and there was no one present from the public.

The Board thanked Mr. Christensen for a job well done on the budget.

**Upon motion** made by Ms. Smith, seconded by Mr. Sperry and passed unanimously, the Board approved Resolution 22-11-09D, A Resolution of the Midvalley Improvement District Adopting its 2023 Budget.

**Upon motion** made by Mr. Sperry, seconded by Mr. Roemmich and passed unanimously, the Board closed the open meeting and opened a closed meeting to discuss personnel matters.

Members attending the closed meeting are: Chair Smith, Vice-Chair Roemmich, Trustee Sperry, Attorney Mark Bell and General Manager Brad Powell.

**Upon motion** made by Mr. Roemmich, seconded by Mr. Sperry and passed unanimously, the Board closed the closed meeting and opened the open meeting at 6:30 PM.

Mr. Bell reported the closed meeting was related entirely to discussing personnel matters. Mr. Bell will have an affidavit for Chair Smith to sign stating the reason for the closed meeting.

#### **15. ADJOURN**

- a. The meeting was adjourned at 6:30 PM and the next Board meeting will be December 14, 2022 at 2:30 PM.