

MOUNTAIN GREEN SEWER IMPROVEMENT DISTRICT
5455 West Old Highway Road, Mountain Green, Utah 84050
Minutes of the Board of Trustees Meeting
Wednesday, November 2, 2022 6:00 P.M.
APPROVED

Board Members Present: (Chairman) Bill Coutts, Zane Gray, Nathan Hill, Taylor Nielsen, and Larry Nance **Employees Present:** Jeremy Sorensen (Manager) **Guests Present:** Cliff Linford, Tina Cannon, Richard Koski, Marcus Keller

A. Call to Order: Chairman Bill Coutts welcomed everyone present then called the November 2, 2022 meeting to order.

B. Prayer: Member Hill

C. Approval of Agenda: No changes

D. Declaration of Conflicts of interest: None.

E. Approval of Minutes: Member Gray motioned to approve the minutes as presented. Member Hill seconded. Member Nance abstained since he was absent from the previous meeting. All in favor. Motion passed.

F. Public Comment: Richard Koski, Tina Cannon

Agenda Items

1) Facilities_Plant Expansion_Sunrise

The bid opening did not go as planned. 4 bidders were expected and only 2 presented bids. Both came in with significantly higher bids than anticipated. Sunrise has been in contact with all of the bidders to understand why the cost came in so much higher. Cliff Linford was expecting to have more information within the week. Chairman Coutts iterated the importance of resolving this process with speed and efficiency. There was some discussion about why the actual amount of the bid was so much higher than what was estimated. More information will be forthcoming from Sunrise as they conclude discussions with MGC, the company that came in with the lower bid.

Cliff Linford updated the board on the construction management agreement with Sunrise. Concern was expressed about moving forward with the agreement because of the results of the bids received for the treatment plant. Member Nielsen suggested the board wait and not enter into the agreement at this time. The Chairman and others agreed.

The agreement with Whitaker construction for the Canyon View Lift Station was presented to the board for any questions. It has been previously reviewed and approved by the board. Member Nielsen reminded the board that the agreement should be sent to WPR for review and approval.

Mr. Linford presented the work order for Sunrise on the Canyon View Lift Station.

Member Nielsen made a motion to accept the Construction Management Agreement 2022-5 as presented (with WPR consent). Member Nance seconded. All in favor. Motion passed.

Manager Sorensen updated the board on the draft Master agreement with Snowbasin. There will be another meeting in November to review the draft agreement in more detail.

Manager Sorensen reported on the status of the inspection of Snowbasin's existing infrastructure. The manhole inspection has been completed using 3d cameras. Member Nielsen asked to be included in Sunrise's review of Snowbasin's engineering plans.

2) Will Serve Applications

1 application was for an ERU for an airport hanger. Second application was for 53 units for Warner West Subdivision. Member Gray commented that the Will Serve document should have a clause that clearly states what a Will Serve guarantees and what it does not, especially if it is awarded with contingencies.

Member Nance made a motion to approve a Will Serve for 9 Line Aviation with contingency of a grease trap or comparable system being installed, and West Warner development with 1 and 53 ERUs respectively. Member Gray seconded. All in favor. Motion approved.

3) Personnel/election committee

No discussion

4) Finance Committee _Budget 2023

There is an expected Cola increase of about 8% due to the rising cost of living. Budget for professional fees went up. There is an increase in manhole inspection cost. Member Coutts said that there is depreciation added to the budget which was not included previously. Member Nance said the board approved a budget of \$300,000 for depreciation. Manager Sorensen will meet with member Nance to discuss and clarify the depreciation budget. Member Nance asked where the numbers for the construction budget came from. There was some discussion about this.

Markus Keller with Zion's bank asked some clarifying questions about the budget. He commented that it's better to begin the process of requesting additional funds from the CIB early, and that he would begin that process if necessary. Manager Sorensen and others commented that the board should be prepared for that outcome, considering the high bids that were received for the plant expansion project, and rising costs in general. Mr. Keller will begin that process. Member Hill asked whether the CIB might increase the interest rate. Mr. Keller didn't think they would, perhaps an increase of .5% if anything.

The monthly contract with AES has gone down from \$3,800 per month to \$3,600 per month. Member Hill made a motion to accept the 2023 proposed budget and present it at a public meeting on December 7th at 5:00pm. Seconded by member Nance. All in favor. Motion Passed.

The quarterly audit was presented by member Hill. There was \$50k in uncleared checks. Manager Sorensen is holding a check currently, waiting for Sunrise to break out the amounts for him so he knows who to bill. \$50k in legal fees were paid for audits and attorney fees. \$11k in delinquent accounts were sent to the county for taxes. Construction bills are causing negative numbers.

5) Fee Working Group

Chairman Coutts noted that he has been pushing Manager Sorensen and Sunrise to complete the Impact Fee Analysis. Once the analysis is completed new fees can be assessed 90 days later. Current users will not be charged differently. The impact fee only affects new users. New service areas may also be assessed additional fees depending on the maintenance and/or liability associated with those areas.

Member Nance asked Manager Sorensen to send out a recap of what has already been spent on buying equipment and the plant expansion project.

6) Executive Committee

Christmas party options were discussed. Snowbasin was chosen as a location. Dates were discussed. 16th of December at 6:00pm

7) Manager Recommendation

Manager Sorensen made the recommendation to change the Bylaws to include compensation for board members when they attend MGSID meetings. Member Hill was concerned with the \$100 per hour suggestion and felt that \$50 was more reasonable. The suggestion is in accordance with state law which caps board member compensation at \$5,000 per year. Member Hill made a motion to amend the bylaws as presented at a rate of \$50 per hour. Member Nance seconded the motion. All in favor. Motion passed.

8) Closed Session to discuss holiday bonus and 2023 wage increase.

Member Gray made a motion to enter a closed session. Member Hill seconded. All in favor. Motion passed.

Member Gray made a motion to resume the open meeting. Member Hill seconded. All in favor. Motion passed.

Member Gray made a motion to issue Christmas bonuses at a rate of \$500 for Janet Boudrero, \$400 for Nate Hadley, \$300 for River Poll, \$200 for Heather Burger, and \$500 for Manager Sorensen. Member Nance seconded. All in favor. Motion passed.

Member Gray made a motion for 2023 wages to be \$33 per hour for Janet Bourdrero, \$33 per hour for Nate Hadley, \$13 per hour for River Poll, \$20 per hour for Heather Burger, and \$53 per hour for Manager Sorensen. Member Hill seconded. All in favor. Motion passed.

8) Board New Business

- Vote to approve the facilities plan and asset management plan in conjunction with the bond.
- Budget meeting presented for public comment and public hearing. Member Nance to chair, member Hill supporting.
- Adjust Will Serve Paperwork

9) Motion to Adjourn

Member Gray made a motion to adjourn. Seconded by member Nielsen. All in favor. Motion passed. Meeting adjourned 8:14pm.