

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

**Board Members Present:** (Chairman) Bill Coutts, Larry Nance, Zane Gray, Nathan Hill,  
**Absent:** Taylor Nielsen, **Employees Present:** Jeremy Sorensen (Manager) **Guests Present:**  
Jared Anderson, Cliff Linford, Marcus Keller, Ryan Bjerke **Members of the Public:** Shawn  
York, Kent Davis, Kevin Stauffer, Rod Taggart, Jacie Woods, Tyler Roberts, Scott McMillan,  
Glen Astle, Val Poll, Tina Kelly

**A. Call to Order:** Chairman Bill Coutts welcomed everyone present and called the March 2, 2022 meeting to order at 6:00 P.M. Based upon the ongoing issues with COVID-19, meetings will continue to be via Zoom for the time being.

**B. Prayer:** Zane Gray

**C. Approval of Agenda:** Member Hill made a motion to approve the agenda. Member Nance seconded. All in favor. Motion passed.

**D. Declaration of Conflicts of interest:** None.

**E. Approval of Minutes:** Member Nance made a motion to approve the minutes as written. Seconded by member Hill. All in favor. Motion passed.

**F. Public Comment:** None

## Agenda Items

### 1) Introduction of New District Manager

Jeremy Sorensen was appointed Mountain Green Sewer District Manager In February 2022. He is an accountant and holds an MBA from Utah State University. He came highly recommended from a couple of water works companies. He is well versed with budgeting, finance, payroll, managing employees, QuickBooks and working with a board as large as 16 people.

### 2) Public Hearing on issuance of bonds up to \$9,000,000

Larry Nance made a motion to recess the public meeting and convene a public hearing. Member Gray seconded. All in favor. Motion passed.

Comments were made by the following members of the public:

Shawn York: What is the current sewer capacity and what will be the increase of capacity with the proposed bond? Shawn stated that the current users had good sewer service and it could therefore be assumed that the increase in capacity was needed to accommodate growth in the community. He asked why new users weren't being asked to pay higher rates rather than all community members holistically. He noted the concern that the recent increase in inflation and cost of living has left some community members feeling like the rise in costs is pushing them out of the community or at least that the community is growing fast enough that all additional costs should be questioned. He also asked why a proper repayment analysis couldn't be done that would ensure no further rate increases.

Kent Davis: He said that he would like to echo the previous comments made by the public and also add his concern that repayment rates would be high due to increased interest rates.

There were no further comments from members of the public.

Chair Coutts stated that the board would not be responding to public comment but rather take the points into consideration for a vote on the resolutions at the April board meeting.

Member Nance made a motion to end the public hearing and reconvene the public board meeting. Member Hill seconded. All in favor. Motion passed.

### **3) Legal Support for the District**

Mr. Mark Stratford, who is the District's current legal counsel, had not responded to Chairman Coutts' emails or phone calls. Chair Coutts felt that he could still be used as a legal advisor, but he also felt that with the addition of the WPR and Snowbasin projects, that taking on additional counsel would be wise. He suggested Mark Anderson, who is recognized as a special district's attorney. Mr. Anderson specializes in annexation, out of district, compliance issues, and real estate and construction. He is asking \$300 per hour for legal services. There would be no retainer expense for the district and his services can be terminated at any time. The District would be hiring the law firm, Fabian VanCott, with Mr. Anderson as the lead counsel.

Member Hill commented that since the district could sign the agreement and only pay for services as needed, he didn't see any inherent risks in doing so. He made a motion to sign the agreement with Fabian VanCott as per the way the letter was written and presented. Member Nance seconded. All in favor. Motion passed.

### **4) ARPA State Funding Update**

Jared Anderson gave an update on behalf of Kerry Gibson about state ARPA funding. The legislature has set aside an amount in the 10s of millions of dollars to various projects. The final amount was to be decided the Friday after the board meeting. 60 days following that decision, the legislature will make decisions about how to allocate those funds to various projects.

### **5) ARPA County Funding Update**

Morgan County does not have any updates at this time, but is also having discussions about how to allocate county ARPA funding. Chair Coutts attended the March County Commissioner meeting and made a statement concerning the current financial situation for the plant expansion and needed funds. They are aware that MGSID needs to know their decision as soon as possible

Member Hill noted that the \$3 million in ARPA funds, which have already been received from the state, make it likely that rate increases will not be necessary to repay the expansion project bond.

### **6) Expansion Project Updates**

Nix construction quoted an amount of 3.26 million dollars for the bore project. That does not include the lift station. WPR was not happy with the amount. Although prices for construction

have been going up, the amount was higher than expected. At the request of WPR, a second estimate was sought from Whitaker Construction. They came in with an estimate of 2.59 million dollars. WPR and Sunrise Engineering agreed to move forward with Whitaker Construction.

The deadline to complete the project had previously been April 15<sup>th</sup>. The adjusted begin construction date is now October of 2022 when the water flow will be reduced by Weber Basin. WPR was in agreement about the adjustment to the schedule.

Whitaker construction and Nix Construction can both bid for the lift station portion of the project. Val Poll has been notified about the change in schedule as well since his project will be affected. Some frustration with Nix Construction was noted by Cliff Linford since their timing on the bid has set back the project timeline. Member Nance asked if maybe a 3rd contractor should be consulted for a bid to avoid further set-backs. Mr. Anderson said that was a possibility, but felt confident with the current situation.

Cliff Linford said that other parts of the expansion remain on target with the schedule. He suggested a meeting in the following week so that the facilities committee and new manager could review the 60% design submittal, including architectural renderings.

Originally, the plan was to finalize ordering large equipment around August after the bond had closed and the expansion had been fully bid. The suppliers however, seeing recent delays in the supply chain, have suggested that MGSID put in orders earlier to avoid delays in the project timeline. Doing that would cost roughly \$750,000 which may be problematic since the bond has not closed yet. But with the acquisition of the \$3 million in ARPA funds, it may be possible and is Cliff Linford's recommendation.

After some discussion, Member Nance made a motion to issue Notice to Proceed with the Equipment Purchase at a cost of \$750,000, using the ARPA funds. Member Gray seconded. All in favor. Motion passed.

Cliff Linford confirmed that the project is on schedule and that the District board has done all it needs to do to keep everything on schedule thus far.

Sunrise engineering was evaluating a connection with the Snowbasin project at Trappers Ridge. The flows came back favorable. There will need to be a project to connect Snowbasin's line to the sewer mainline once the flows reach level ground, but Cliff Linford felt that the project would be minimal. If the project goes forward, it will be included in a 3-4 yr time frame within the overall expansion project. Snowbasin's financial contribution to that project is still to be decided.

Jared Anderson had not heard from Snowbasin on their schedule. Chair Coutts noted that the burden was on Snowbasin for the process of design and annexation.

## **7) Bylaws Update**

Proposed changes to the bylaws were sent out to the board prior to the meeting. Member Hill thought that some of the wording for the sections outlining the Treasurer and Manager responsibilities was confusing.

It was decided that the board would only approve and update the portion of the bylaws having to do with public notice. Ryan Bjerke made a recommendation to make the motion based on the

section numbers that were affected by the updates. Chairman Coutts made a motion to update the bylaws section 3, section 12c.v, and section 19diii. Member Hill seconded. All in favor. Motion passed.

### **8) Personnel Handbook Update**

Member Gray felt that the Personnel Handbook did not need to be updated since the board is currently working from a separate contract with the current manager, and because the current handbook wording allows for a flexible work schedule and hours. There were no comments from the board, so there was general consensus that no update was needed.

### **9) Manager Topics**

Chairman Coutts stated that as he is wearing 3 hats on the board, that of Chair, personnel committee member and facilities committee member. He stated he would try to be clear as to which hat he was commenting under when communicating with the board and others.

Chairman Coutts asked the board for \$3,000 for training purposes for the new Manager.. He asked for \$2000 for getting a new computer, laptop, and monitor for the Manager's use. He is also asking for \$2500 for new office furniture for the manager's office. He said money for all these purchases could come from the money saved when Chairman Coutts was the non-paid acting manager for a month and a half. Motion was made by member Hill to allot \$7500 total for the purposes of training, IT equipment, and office furniture. Seconded by member Gray. All in favor. Motion passed.

### **10) Board New Business**

Member Gray said that he and Chairman Coutts had met with Manager Sorensen to discuss the Manager's 2022 performance objectives. Any board member that would like a copy of these just needs to contact member Gray.

Member Gray would like to have a vote about holding board meetings in-person. Chair Coutts stated it would be added to the April board meeting agenda.

Chairman Coutts suggested that the manager continue to make monthly reports to Member Hill as auditor and member Nance as treasurer, but that the whole board only needs to receive an update on those reports once a quarter. He suggested that he, Manager Sorenson, member Nance and member Hill get together and discuss how that could be done.

Member Hill asked for a monthly report on how ARPA funds and bond monies are being spent, and what purchases are reimbursable etc. Chairman Coutts said that he had communicated with Sunrise about making a more organized and detailed monthly report. He said he would speak to them about it again at their next meeting.

Member Nance noted that the public still doesn't seem to be aware that the State is requiring the expansion of the Sewer District due to exceeding phosphorus cap limits. He felt there should be a discussion about how to communicate this to the community. Chairman Coutts suggested that the new website be used as a vehicle for that and stated he would work with the manager on possible FAQs and a letter for the public..

**11) Motion to Adjourn** the meeting made by member Nance. Member Gray seconded. All in favor. Meeting was adjourned at 7:29 pm.