

MOUNTAIN GREEN SEWER IMPROVEMENT DISTRICT

5455 West Old Highway Road, Mountain Green, Utah 84050

Minutes of the Board of Trustees Meeting

Wednesday, January 5, 2022 6:00 P.M.

APPROVED

Board Members Present: (Chairman) Larry Nance, Zane Gray, Bill Coutts, Nathan Hill, Taylor Nielsen,
Employees Present: None **Guests Present:** Cliff Linford, Jared Anderson, Kerry Gibson, Markus Keller,
Ryan Bjerke, Larry Hall (Aqua Environmental)

A. Call to Order: Chairman Larry Nance welcomed everyone present then called the January 5, 2021, meeting to order at 6:00 P.M.

B. Prayer: Zane Gray

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

D. Declaration of Conflicts of interest: None.

E. Approval of Minutes: pg. 6 para 5 fraud risk analysis. Add a second to the motion. Pg.4 \$110,000 dollars change to \$10,000 (?) Heather to review. Pg. 7 constituents should be stake-holders. Member Hill made a motion to approve the minutes as amended. Chairman Nance seconded. All in favor. Motion passed.

F. Public Comment: None

Agenda Items

1) Plant Expansion

Cliff Linford updated the board on the plant build timeline saying that it was on schedule. He was expecting conceptual plans from the architect and wanted to schedule a meeting with the facilities committee to go over the 30% design package and also the conceptual plans.

Sunrise is in the process of hiring a new engineer who will be assigned to the MGSID project. They have confidence that they can continue to meet the needs of the project according to the timeline.

Chairman Nance asked Markus Keller and Ryan Bjerke to attend the pre-closing conference that they received an email about from the State. Mr. Keller had spoken with Skyler from the Division of Water Quality (DWQ). Skyler's main concern is that the closing still happens on May 1st.

Ryan Bjerke suggested that the Meeting is an opportunity to go over items on the approval check-list and make sure that the district is on track to meet the requirements for closing.

There was some discussion about whether the district needed to appoint a trustee. Mr. Keller and Mr. Bjerke explained some of the parameters for why a trustee would be needed and/or desirable. The fee for a trustee bond is about \$2000 to set it up and an annual fee of \$1500. Someone at the district would need to carry the responsibility if a trustee is not appointed.

Chairman Nance explained that the board had already set-up a PTIF account and that the funds awarded by the ARPA committee were put into that account. The ARPA committee did not have a problem with funds from the DWQ or CIB going into that account as well. Mr. Keller, however, suggested that there should be a separate account set-up for different funding sources for tax, auditing, and similar purposes.

Chairman Nance explained that the State did not want to issue any further PTIF accounts. He thought they could probably persuade the State to do it, but that they did not want to. Mr. Keller said that the State could issue one PTIF account but separate it into 3 sub-accounts to make tracking the funds simple.

Mr. Keller said that he would get bids for the trustee services and report back to the board.

Mr. Keller went over the updated calendar for 2022. Notice to the public will be sent out with the February billing informing users of the district's plans to issue bonds and giving information related to the public hearing date and user fees. It was decided in order to meet the 30 day notice requirement the letter should be sent out by the 30th of January since February has 28 days.

Mr. Keller Committed to communicating with the State about the 24th of January meeting and reporting back to the board.

Ryan Bjerke reviewed with the board the draft of the letter that will be sent out to the public. Member Coutts volunteered to complete the letter and send the final draft back to Mr. Bjerke. Mr. Bjerke will send it on to the State attorney.

Sunrise has reviewed all of the plats that WPR has submitted. Construction is scheduled to begin in March of this year. Sunrise will be inspecting the installation of the sewer line. Member Coutts asked about some of the items of concern in the WPR design. Jared Anderson from Sunrise said that they had submitted suggestions to WPR on the items of concern. Member Nielsen said there was a meeting with WPR to discuss those items and he said that they had done their best to work through tough terrain and come up with solutions that benefit WPR and MGSID.

There are ongoing discussions with Nix construction to work through issues on the bore. Vance Bostock had a problem with the bypass channel being an open ditch and the contractor wanted it in a pipe. But they have been in discussions about the best solution that will allow the Weber River to continue to pass while they are working. Union Pacific requires 24/7 management of construction while boring under the railroad tracks. They will also have crew members on site. Prep for the bore begins in January, and completion estimated in April. Mr. Anderson emphasized that Sunrise is aware of the April 15th irrigation deadline. He has arranged for as much water as possible to be taken into an irrigation canal in Milton and the new work on the bypass will also help to keep the flow as low as possible.

Mr. Anderson had discussions with Snowbasin about where they will be connecting to the MGSID system and what their flows will be so that Mr. Linford can update the CFPs. He said that should be done within about a month. Snowbasin projects their earliest flows to be fall of 2024. Snowbasin is looking to enter into an annexation agreement or at the least a Memorandum of Understanding with MGSID as soon as possible. They need a Will Serve letter from MGSID to give to Weber County.

Chairman Nance asked whether the annexation happens first or if the MOU has to happen first. Snowbasin would like to start the annexation agreement now. If it's not completed in time, then an MOU will work in the meantime. Mr. Anderson wasn't completely sure, but he thought that the annexation agreement should originate from the district. Member Gray suggested that an individual or committee should be tasked with that process from beginning to end since it is complex and multi-faceted. Member Nielsen asked about the status of the existing MOU that had been started, but Mr. Anderson didn't have information about that.

Chairman Nance said there is a signed MOU with Snowbasin, but member Nielsen pointed out that it doesn't include details on payment or working towards annexation. Chairman Nance suggested that the facilities committee should begin working towards an annexation agreement and/or MOU as needed.

Member Hill asked Mr. Anderson to consider all the ways that working within another county may create additional issues when creating an agreement with Snowbasin. Member Coutts said that an annexation may not be required or be the best option for MGSID, citing the WPR "out of district" agreement as precedent. All agreed that the discussion should be deferred and looked into in greater depth through the facilities committee and Sunrise.

Chairman Nance updated the group on funding by saying that no ARPA funds had been received. The State had communicated that they were behind due to the holidays. Jared Anderson said that the county will be making a decision on county ARPA funds soon.

Kerry Gibson came to the meeting to give an update to the board about the State's funding. He expects the timeline for this round of funding to be a lot longer than the last round. There is a general session of legislature, and state budget talks that will delay the State ARPA committee making a decision for a while. He was still confident about MGSID's standing in the process, and he felt that there would be a decision by the beginning of March.

Mr. Anderson updated the board on 3 new work orders as follows:

1. Work on ARPA funding
2. Subdivision plan review.
3. District management

Chairman Nance was very pleased with the work that Sunrise did on the ARPA funding.

Member Coutts asked for a plat review for phase 5 in the Cottonwoods. He also asked about Frontier Estates. Mr. Anderson said they are waiting for Kirk Smith to provide a low pressure service agreement for review by Sunrise and the board.

2) Will Serve Request Cottonwoods Phase 5

Will serve requests for 5 lots of Cottonwoods phase 5. The board is waiting for the plat review from Sunrise.

Member Nielsen made a motion to approve the will serves for Cottonwoods phase 5A-1 also known as Cottonwoods phase 5 for the 5 lots on Meadow Park Dr., also known as Meadow Park East 5A-1 pending the submitted lots comply with all Mountain Green standards, pending a review from the district that all standards, ordinances, and other items are met. At such time as they are met full approval will be granted along with any outstanding payments or other items for will service. Member Coutts seconded the motion. All in favor. Motion passed.

3) Plant Manager Applications

Three candidates are being considered. 1 engineer with a sewer certificate and 2 non-engineers without sewer certificates. The facilities committee and personnel committee (members Gray, Coutts, and Nielsen) will conduct all 3 interviews on the same day (Jan 11th). There is a scoring matrix being used.

If a candidate is chosen, they will either be brought before the board for the February board meeting or a special meeting will be called, depending on the candidate's availability. Member Coutts will produce a proposed contract and submit that to the board for approval.

4) Proposal: Aqua Environmental

In the absence of a licensed sewer operator it is proposed that Aqua Environmental be employed for operating MGSID until a manager and or licensed operator is hired. Larry Hall with Aqua Environmental came to give an overview of his services. He offered his best work whether the job is short term or long term. They have several operators that are licensed with the State and can serve as back-up if needed. Member Gray asked who will prepare the agenda for board meetings etc. Member Coutts said that he would be doing that as the acting manager. Larry from Aqua Environmental will be the only one working as the sewer plant operator.

Chairman Nance made a motion to hire Aqua Environmental effective January 5th. Member Hill seconded the motion. All in favor. Motion passed.

5) Election of Chairman, Vice Chairman, and board Auditor

Chairman Nance began by saying that he felt the board had some excellent committees and that regardless of the decisions about Chair and vice-Chair, he felt the committees should stay the same. He then suggested that it was time for him to step down as Chair and nominated Bill Coutts to be the new Chairman. Member Hill seconded the nomination. Chairman Nance asked if any other members of the board would like to have their names considered. Hearing none, Chairman Nance made a motion to elect member Bill Coutts as the new Chairman of the board, effective February 1, 2022. All in favor. Motion passed.

Member Coutts nominated Larry Nance as Vice Chairman. Member Hill seconded the nomination. There were no further nominations or discussion. All in favor. Motion passed.

Chairman Nance said that in the past the vice-chair had served as the auditor, but he thought Nathan Hill had been doing a great job and nominated member Hill to continue acting as board auditor. Member Gray seconded. All in favor. Motion passed.

6) Bank Account Authorization Resolution

Chairman Nance suggested that there be 2 board members (Chair and Vice-chair) authorized as signers for the district bank accounts in addition to Janet Boudrero (office manager).

Chairman Nance made a motion to pass a resolution appointing the Chair and Vice-Chair as authorized users for the district bank accounts. Member Nielsen seconded. Member Hill wanted to note that he agreed with the resolution, and also cautioned that the board auditor should not have check signing authorization. All in favor. Motion passed.

Chairman Nance noted that the bank cards needed to be changed. He and member Coutts will speak to Janet about that.

7) Website Update

Member Coutts' wife created a new website after the design of the old one at no charge to the district. The new website will have easier access for making changes and updates. They are in the process of getting the website domain MGSID.com transferred from Go Daddy to Weebly where the new website was created. There is a cost of \$150 per year for the business tools on Weebly that is optional, but advised by member Coutts.

Chairman Nance suggested that the transition wait until after the letter has been sent to the public regarding funding for the plant expansion since that letter would be referring the public to the website. Member Coutts said he agreed that if the transition to the new webpage provider could not be made without interruption to service then they would hold off until after the letter was sent.

Member Coutts made a motion for the board to approve a transition from website provider Go Daddy to Weebly. Member Gray seconded. All in favor. Motion passed.

8) Reports

Auditor: Bioworks hadn't cashed a \$138,000 check and some other checks hadn't cleared at the time of the audit. In the PTIF funds \$109,000 was taken out to pay for equipment. A lot of large check transfers in the month. The Manager's final PTO payout was completed on January 30th to the amount of about \$8,000, as expected.

Member Coutts asked about the 2021 sewer management survey. Member Coutts said that he would look at that and follow-up.

Member Hill to follow-up with Janet about the deposit and investment report.

Member Nielsen to follow-up with Sunrise and Wasatch Peaks about money that is owed MGSID from Wasatch Peaks.

Finance: Nothing more.

Personnel: Nothing more.

Manager: As acting Manager, member Coutts brought up the following issue for the board's consideration: Morgan County asked for a waiver of a 2 year bond requirement for construction at the Morgan County Airport. There was some discussion about the risk and liability involved in doing that. Several board members had strong reservations about waiving the requirement. After discussion, Chairman Nance recommended that a letter be sent saying that the board is taking it under consideration.

9) Motion to Adjourn the meeting made by member Coutts. Chairman Nance seconded. All in favor. Meeting was adjourned at 9:00pm.