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**TICABOO UTILITY IMPROVEMENT DISTRICT**

 **MEETING Minutes**

**Approved: Draft: Yes**

**DATE:** Wednesday November 8th, 2023

**TIME:** 12:00 PM

**LOCATION:** Electronic Meeting

Pursuant to House Bill 5002, 'Open and Public Meetings Act Amendments,' passed during the 2020 Fifth Special Session of the Utah Legislature and codified under Utah Code Ann. § 52-4-207(4), I, Alexa Wilson, hereby make the following written determination in my capacity as Chair of the Board of Trustees of the Ticaboo Utility Improvement District warranting the TUID Board to convene and conduct electronic meetings without a proper anchor location:

**AGENDA**

1. **Call Meeting to Order** – Alexa Wilson called the meeting to order at 12:00 PM

 a. **Roll Call of Board Members** – Alexa Wilson called role. Board members Amy Golden, and Mike Morlang were present and TUID staff Ray Golden, John Motley and Connie Malone were present. There were no absences of staff or board members. There were 3 members of the public present online.

2. **Adoption of Agenda** – Alexa Wilson called for any questions or concerns about the 11/8 agenda, hearing none Mike Morlang called for a motion to approve, Amy Golden 2nd the motion and it was approved unanimously.

3. **Approval of minutes from Minutes need approved from 10/11/2023 meeting-** Alexa Wilson asked for any concerns or amendments to the 10/11/2023 meeting minutes. Hearing none, Mike Morlang made a motion to approve, Amy Golden 2nd and the motion was approved unanimously.

4. **Review procedures for handling electronic participation by the** public – Alexa Wilson reviewed electronic participation procedures.

5. **Public Comment** – Alexa Wilson asked if there were any public comments, and hearing none, moved to the next agenda item.

6. **Confirm the next meeting date of December 13th, at 5:30 pm.** John Motley commented that TUID is required to have a public meeting to adopt the draft of the 2024 budget before the next scheduled meeting, so an additional special meeting was set for Thursday, November 29th at 6pm electronically. John Motley commented he would update the website to reflect the change and addition and send out notices on the public notice website and via email along with a draft budget for the public review.

7. **Manager’s Report-** John Motley referenced the written report sent to the board that covered the work on the 2024 budget, the meeting adjustment need and covered the list of cleaning and maintenance items ongoing for TUID in the field and at the well houses and power plant.

John Motley deferred to Ray Golden to continue with a management company update. Ray Golden commented that himself, John Motley, Connie Malone and Tim Kelly will investigate any customer concerns or complaints and respond to them with factual findings and outcomes. Ray Golden cited recent incident of a customers concern over water smell, and taste and the actions taken by TUID management, John Motley that included going to the customers house and tasting and smelling the water and then taking an additional sample for bacteriological testing down stream from their residence (they weren’t home for sampling) and those samples came back free of bacteria. Ray Golden also cited another recent comment about TUID having a prior agreement with BLM for a solar farm right of way, and how he’d emailed the field manager of BLM to verify. Ray Golden read the email from Sue Fivecoats of the Hanksville BLM field office stating there was no agreement with TUID and BLM for a solar field, and she included additional personnel and directions on the process and people involved in moving that forward. Ray Golden commented that it’s important that we share factual information for the good of the community.

John Motley followed up by saying, anyone with any concern is welcome to stop in the office, call or email and either questions will be answered and/or concerns investigated immediately and that there are “no dumb questions” and everyone is always welcome.

8. **Review and discuss recommended 2023 budget amendments.** John Motley discussed the current budget and the 2024 budget in process with new charts of accounts and a more compact version in accordance with the State Auditors guidelines and template for special districts. John Motley explained this is easier to use both as a tool and for the public to read and understand. Income and expenses are budgeted as normal, but the repetition of expense categories have been reduced into one since they can be allocated via simple mathematical equation if needed.

9. **Preliminary discussion on investigation of fuel surcharges and necessity due to high fuel price increases.**

Alexa Wilson began the discussion by asking for input and comments from the TUID board and staff. John Motley commented that unfortunately all commodities have increased in price, citing cranberry sauce prices increasing by 14% over last year as one small example of how all commodities, especially oil and fuel have gone up. As a result, the $2 per gallon budgeted for diesel fuel for the power plant in 2023 was not achieved due to the average price of fuel being $3.88 a gallon. The price was down from the 2022 average of $3.98 a gallon and fuel were also budgeted for TUID at $2 per gallon in 2022

John Motley also stated although not an easy decision, reality and the rising costs drive the need to balance the budget in a realistic manner and keep cash flow positive vs negative. He also commented that TUID is actively and aggressively seeking grant funding for sustainable/renewable, lower cost energy for the future of Ticaboo and progress must be made above and beyond the 45 years of talking about it and spending time and money on studies, with no results.

Ray Golden comments that Mike Morland, Alexa Wilson, Amy Golden, and himself have all pulled together a “think tank” including officials, Ticaboo Management Owners and other people to explore the best solutions for the future for cost and sustainability.

Mike Morlang commented “The good old days of $2-$3 per gallon of diesel are gone and the surcharge will vary based on prices of fuel”.

It was commented and discussed that TUID is one of the last pure diesel grid generation power plants, public utility in the state of Utah.

Alexa Wilson commented on the necessity of any final surcharge to be reviewed and commented on publicly.

10. Review and update on the 3-step plan for TUID sustainability and improvement for facilities and power generation.

Alexa Wilson presented a power point presentation that outlined TUIDs revenue and expenses, how that relates to the budget deficit and the deficits direct ties to the rising cost of diesel fuel, and an example of how a surcharge is likely to be calculated using a mathematical formula using over $3.00 a gallon of diesel cost as a threshold that triggers the need for a surcharge.

Alexa Wilson also included a slide of a 3-step plan of 1. Financial Stabilization. 2. Mechanical Stabilization and 3. Environmental Stabilization and rate reduction as a blueprint for TUID to follow financially and in action to progress TUID into a future of sustainability both in energy production and financially.

John Motley commented that part of the plan includes cutting every cost possible and deferring rebuilds on the C9 generators, while still maintaining quality power delivery and he also commented the power point will be available on the website and for public inspection.

11. Board Reports: Amy Golden, Mike Morlang, Alexa Wilson

Mike Morlang- Has spoken with ECI on investigating the solar power problem on well #2 and they are setting that up.

12. Next Scheduled meeting December 13th, 5:30 PM MST

The next special meeting was confirmed per state auditor requirements for November 29th at 6:00 PM to both review and adopt a 2024 draft budget before adopting it in its finality in the scheduled December 13th meeting at 5;30.

John Motley commented that he will post the new special meeting on the website and send out notices via email and Utah Public Notice Website including the draft budget for public review in advance of the November 29th special meeting.

13. Adjournment

Alexa Wilson called for a motion to adjourn the meeting if there was no more business to discuss, Amy Golden made the motion, Mike Morlang 2nd the motion and the meeting adjourned at 12:06 PM.