MOUNTAIN GREEN SEWER IMPROVEMENT DISTRICT
5455 West Old Highway Road, Mountain Green, Utah
Agenda for Thursday, February 5, 2015
Board of Trustees Meeting starting at 7:00 PM

I. Welcome, Introductions, Invocation
II. Public Comment Period
III. Business Items

1) Discussion: Elections in November

- The elections for MGSID Board Members will be held this November and coincide with the elections for Morgan City and the Fire District.
- Janet is ensuring we are posting all required notices and will keep the Board updated on county registration requirements.
- The following Board Members are up for re-election this year:
  - Tina Kelly, Zane Gray, Shane Rice & Mark Devoe

2) Discussion: Notification requirements for Ordinance update

- Dennis let me know that he did not hold a public hearing or post any special notices other than the regular Board Meeting notices when he updated the Ordinance in 2010.
- Jon Call, our attorney, said that he could not find any rule relating to ordinances for special districts in general operating procedures. He did not see anything that requires a public hearing to be held for any ordinances adopted by the District.
- Counties and municipalities are required to hold hearings for these types of changes, but their ordinances and resolutions have some additional criminal/civil penalty overtones.
- Jon believes that although the code for special districts does not require a public hearing, he does think that we should include the information in our public meeting notices and then allow for public comment on the proposed changes in the same manner as a public hearing, just to be safe.
- He added that there is no reason to redo what we did at the last meeting as we posted all required meeting notices in advance and our Agenda allowed for public comment. Plus, the proposed changes were presented in detail and discussed openly.
- Jon, did suggest that when we present future ordinance changes, that we simply include a public comment period at the beginning of the item discussion, even thought there would probably not be any guests present.

3) Discussion: MGSID two year demonstration period.

- Article VII of the MGSID Ordinance for District Acceptance of Development Sewers specifies a two year demonstration period followed by an Acceptance Procedure before the District will accept ownership of the installed sewer system.
- It was brought to our attention that both the state and the county limit a warranty period for developers to only one year, so there was a concern that our two year period might be unenforceable and/or possibly illegal.

- Jon Call, the attorney for the District, reviewed the statutes and confirmed that our Ordinance is both legal and enforceable, so no change is necessary.
    - *Under the Local Special Districts Act it simply states that an improvement assurance warranty "will not fail in any material respect within an agreed warranty period" 17B-1-102(10). The County code does state that the warranty period is limited to one year (17-27a-103(21 &22)), but I don't see that restriction in the Local Services District Code.*

4) Discussion/Decision: Privacy concern for Financial Assistance Discount application.

- The application process for the Financial Assistance Discount has been updated to reflect the Board's concern for keeping any applicant's confidential information from being made part of public record. The Board should review the presented application for comments and/or corrections.
- The applicant will be asked to bring any sensitive personal and financial documents necessary for the need for assistance to a private interview with two people present, such as the Manager and the Secretary. During the interview, notes will be taken on the basic information necessary to allow the Board to review an anonymous application and make decisions without a direct connection to the applicant's identity and/or residence location. In this manner, none of the personal records or private information would ever come under the ownership, control or responsibility of the District. Per our attorney:
    - *With regards to the personal information… you can "classify" it under the GRAMA laws as a private or protected record that can only be disclosed by Court Order or other similar method. You could also in the process simple request that any sensitive information such as tax filing records be provided to the district in a meeting with the Manager, but not actually formally submitted. This way it was never even under the control of the District and was never their record. This would allow the Manager to make notes about the financial background, without the burden of controlling such sensitive information. I worry more about somebody being the victim of credit fraud and accusing the District of being the cause of the problem.*
- Does the Board approve the new Financial Assistance Discount application and process?

5) Discussion/Decision: Problems with the Vacant Home Discount verification

- The process of using the monthly water bill to verify a vacant home for the discount is proving to be ineffective and a point of contention for anyone who feels they don't use the sewer as much somebody else.
- The culinary water bill verification limit of 20 gallons of usage per month will work for areas that have secondary water for irrigation, but developments like the Highlands, Whisper Ridge, Monte Verde, etc., all use culinary water for irrigation-even if the home is partially or seasonally occupied. Customers who want this discount have the valid argument that their home is vacant but the water bill shows usage for lawns so they are not able to get their discount.
- A couple of residents have also argued that they should get a discount because they feel they don't use the sewer as much as other homes with more occupants.

- The problem with any discount for variances in usage (occupancy or quantity) is that there will always be someone who feels they deserve some kind of consideration and could technically be applied to every home in the District.
- There is no metering device for individual sewer usage so the only fair method is to charge a flat fee, and the original District bylaws state that <u>every</u> residence within the District boundaries, connected or not, is required to pay the same monthly service fee.
- As a reminder, the District Manager believes there should be no discount for any home within the District other than for a valid financial hardship because it goes against the original charter and is time consuming to administer and police.
- Whether a residence is occupied or not, or producing more or less wastewater than a neighbor, is not a justifiable variable for a discount. The costs for running and maintaining the system so that it is available on demand are the same.
- The District Manager is asking the Board to either eliminate the Vacant Home Discount entirely, or propose an effective means of verification, along with the additional budget that will be required to administer (constantly change billing in and out requests) and police the applicants (call the county and water companies to request records, then go through all of the records every month to look for changes, drive by and inspect properties…).
- Does the Board want to continue or eliminate the Vacant Home Discount?
- If the Board wants to continue offering the Vacant Home Discount, what qualifier(s) are to be required?

6) Discussion: District Operations ~ January 2015

- Effluent water continues to measure well within state requirements and removed over 96% of BOD and 88% of TSS in November. E-Coli bacteria registered at Non Detectable levels.
- January's Weber River Phosphorus registered Upstream from our discharge point at .03 mg/L (milligrams per liter) and Downstream from our discharge point at .07 mg/L.
- Our Effluent contained 5.2 mg/L just before discharge. *By January 1, 2020 our effluent will be limited to 1.0 mg/L before discharge into the Weber River.*

7) Discussion: District Statistics as of January 31, 2015

- Comparison of the number of Impact Fees received to date 01/31/2015.
  - **2015 = 03** Impact Fees
  - **2014** = **04** Impact Fees
  - **2013** = **03** Impact Fees
  - **2012** = **01** Impact Fees

ERU STATUS

ERUs Billing	ERUs Under Construction	ERUs Connected	ERUs Committed But Not Activated	WILL SERVES Committed
917	**61**	**+ 940**	**+ 412.5**	**= 1,413.5**

TOTAL ERUs CONNECTED LAST SIX MONTHS RUNNING

	AUG 2014	*SEP 2014*	*OCT 2014*	*NOV 2014*	*DEC 2014*	*JAN 2015*
CONNECTED	**916**	**920**	**921**	**931**	**937**	**939**
% OF CAPACITY	50.9%	51.1%	51.2%	51.7%	52.1%	52.2%

District requirements on Upgrade: Option Study @ 70% (1,260); Design @ 80% (1,440); Build @ 90% (1,620)

MGSID BANK STATEMENTS

STATEMENTS ENDING	MAIN OPERATIONS CHECKING	$3,456 EXPANSION ACCOUNT	$5,271 EXPANSION ACCOUNT	***BANK TOTALS***
January 31, 2015	$160,714	$87,387	$26,283	***$274,384***
PTIF 248 EXISTING RESIDENT'S FUNDS FOR PROPOSED NEW SEWER FACILITY	PTIF 4598 EXPANSION FUNDS	PTIF 4667 EMERGENCY FUNDS	PTIF 4668 REPLACEMENT FUNDS	**FUND TOTALS**
$158,809	$123,302	$134,283	$188,147	***$604,541***

TOTAL CASH $878,925

OPERATIONS INCOME & EXPENSE STATEMENT

YTD ~ January 1, 2015 through January 31, 2015

INCOME

Monthly Service Fees	$	24,921
Late Fees	$	33
New Lateral Inspections	$	200
Other Income	$	11
Taxes Income	$	8,292
Interest Income	$	0
TOTAL INCOME	**$**	**33,457**

EXPENSE

Administration	$	6,406
Operations	$	3,507
Depreciation	$	13,117
TOTAL EXPENSE	**$**	**23,030**
NET INCOME	**$**	**10,427**

IMPACT FEE/EXPANSION INCOME	$	3,456
EXPANSION ACCOUNT INTEREST	$	0
EXPANSION EXPENSES	$	0
DEVELOPER REIMBURSE	$	0
NET EXPANSION INCOME	**$**	**3,456**

8) Discussion/Decision: Review and approval of January 15, 2015 Minutes.

9) Discussion: The next Board Meeting is scheduled for March 5, 2015

- The next Board Meeting is scheduled for the first Thursday, March 5, 2015 at 7:00 PM. Please mark your calendars and we will see you there.

Motion to Adjourn