

**MINUTES OF THE
JORDANELLE SPECIAL SERVICE DISTRICT
NOVEMBER 5, 2015**

PRESENT: Board Member Kendall Crittenden
Board Member Greg McPhie
Board Member Kipp Bangerter
Board Member Mike Kohler
Board Member Mike Petersen.

EXCUSED: Board Member Steve Farrell
Board Member Danny Goode

STAFF: Rick Tatton, doing minutes
Kierstan Smith, Financial Officer
Eliza McGala, Treasurer
Theresa Baronek, Secretary
Doug Scow, Administrative Specialist
Greg Koberlein, Wasatch County Comptroller
Ron Phillips, General Manager

OTHERS PRESENT: On list attached to a supplemental file.

Board Chair Mike Kohler called the meeting to order at 4:30 p.m. and welcomed those present and indicated that Board Member Steve Farrell and Board Member Danny Goode are excused and called the first agenda item.

REGULAR SESSION

APPROVAL OF THE MINUTES

Board Member Mike Petersen made a motion that we approve the minutes of October 1, 2015 as approved for JSSD. Board Member McPhie seconded the motion and the motion carries with the following vote:

**AYE: Kendall Crittenden
AYE: Greg McPhie
AYE: Mike Kohler
AYE: Kipp Bangerter
AYE: Mike Petersen**

NAY: None.

WARRANT LIST APPROVAL

Board Member McPhie made a motion that we approve the warrants in the amount of \$500,858.35. Board Member Kipp Bangerter seconded the motion and the motion carries with the following vote:

**AYE: Mike Petersen
AYE: Kipp Bangerter
AYE: Mike Kohler
AYE; Greg McPhie
AYE: Kendall Crittenden**

NAY: None.

POSSIBLE LEASE OF MARSAC AVENUE MINE PROPERTY TO GRAVITY HOLDINGS

Ron Phillips, the General Manager for Jordanelle Special Service District, addressed the Governing Board for the Jordanelle Special Service District and indicated that the representative of Marsac was informed that it wouldn't be necessary for him to attend. Also there is a potential agreement in your packet this evening. Ron Phillips indicated that he is not comfortable with approving the lease that has been presented because there are concerns about maintaining access and also a liability issue. Ron Phillips also indicated that if the board doesn't want to proceed a decision should be made tonight so that the applicant won't proceed any further and put more time and money into the matter.

Board Chair Mike Kohler indicated that lets postpone making a decision for a couple of weeks because the other two board members should be present and our attorney Lee Kapaloski has just had back surgery so that would give him time to look further into the matter and the applicant should be notified of our decision to postpone the matter until we can look further into these matters of concern. The applicant should then attend the next meeting that possibly would be the meeting on December 3, 2015 at 4:00 p.m. here in this building.

Board Member Bangerter made a motion to continue this matter until December 3, 2015. Board Member Greg McPhie seconded the motion and the motion carries with the following vote:

**AYE: Kipp Bangerter
AYE: Kendall Crittenden
AYE: Greg McPhie
AYE: Mike Kohler
AYE: Mike Petersen**

NAY: None.

DISCUSSION OF DEVELOPMENT REVIEW FEES

Ron Phillips, the General Manager of Jordanelle Special Service District, addressed the Governing Board of the Jordanelle Special Service District and indicated that because our Attorney Lee Kapaloski has had two back surgeries in the past two weeks and hasn't been able to draft a resolution regarding this matter. So possibly something can happen in the next month or two. Ron also indicated that he is recommending the board consider a resolution that sets up development review fees that are paid when a development is first proposed and submitted into Wasatch County in their first submittal rather than billing them after the fact. The reason is because the Jordanelle Special Service District is carrying the expense for developers and really can't afford to do that in his opinion. All of the board members of JSSD indicated that Ron Phillips, the General Manager, should continue to work on the matter.

DEVELOPMENT AGREEMENTS THE RIDGES AND HIDDEN SPRINGS.

Ron Phillips, the General Manager of Jordanelle Special Service District, addressed the Governing Board of the Jordanelle Special Service District and indicated that he is asking that the board postpone this matter because the final agreements are not ready for your consideration.

Board Member Greg McPhie made a motion to continue this matter and the matter will be put back on the agenda at the discretion of Ron Phillips, the General Manager. Board Member Kipp Bangerter seconded the motion and the motion carries with the following vote:

**AYE: Mike Kohler
AYE: Mike Petersen
AYE: Greg McPhie
AYE: Kendall Crittenden
AYE: Kipp Bangerter**

NAY: None.

Board Chair Mike Kohler indicated that he visited with Lee Kapaloski and Lee indicated to him that another person from his law firm will be appointed to work with us on these matters due to the back surgeries that Lee has had. Lee indicated that he would get in touch with me as soon as that decision and recommendation has been made.

PRELIMINARY BUDGET REVIEW

Kierstan Smith, representative from the Jordanelle Special Service District, addressed the

Governing Board of the Jordanelle Special Service District and indicated that the proposed 2016 budget the sewer and water rates have been increased according to the rate study and projected to have forty-two more new homes for 2016. With respect to the expenses JSSD is budgeting for a three percent increase in wages and salaries which affects retirement payments, etc. As of February 1, 2015 the 2009 bonds became delinquent in total not just the portion that Jordanelle is responsible for because we are holding the foreclosed property so that point the twenty percent penalty accumulates on all outstanding bonds and interest and accumulates semi-annually on February 1 and August 1. that will be projected forward and that is huge. Hopefully this can all be resolved before the next year is over. Also it is a unfunded liability and hopefully will come out in a settlement. Ron Phillips also indicated that in the Ontario Mine Tunnel in the main shaft there is a water pump issue that needs to be taken care of which will be a big expense this coming year.

Board Member Kendall Crittenden made a motion to see the public hearing for December 3, 2015 for the Jordanelle Special Service District and the meeting will be held at the Wasatch County Council Chambers located at 25 North Main Street, Heber City, Utah 84032 starting at 6:00 p.m. Board Member McPhie seconded the motion and the motion carries with the following vote:

**AYE: Mike Petersen
AYE: Mike Kohler
AYE: Greg McPhie
AYE: Kipp Bangerter
AYE: Kendall Crittenden**

NAY: None.

MOBILE OFFICE FOR WATER RECLAMATION FACILITY SITE

Ron Phillips, the General Manager, addressed the Governing Board of the Jordanelle Special Service District, and indicated that various solutions have been looked at in consolidating our offices into one area. After further review of the matter the best and cheapest way to accomplish this was to rent a twelve by fifty-six mobile office that will be put at the sewer treatment plant where the primary offices are. Ron also indicated that distribution and treatment crews will put in the utilities and recommend that the JSSD Board enter into the rental agreement that has been presented to you in your packet.

Board Member Mike Petersen made a motion that we approve entering into the rental agreement with Williams Scotsman as the agreement has it has been presented for this mobile office at the Water Reclamation Facility or sewer plant. Board Member Kendall Crittenden seconded the motion and the motion carries with the following vote:

AYE: Mike Petersen
AYE: Mike Kohler
AYE: Kendall Crittenden
AYE: Greg McPhie
AYE: Kipp Bangerter

NAY: None.

SETTLEMENT AGREEMENT-DC TRANSPORT

Ron Phillips, the General Manager, addressed the Governing Board of the Jordanelle Special Service District, and indicated that this is the settlement agreement on DC Transport where Red Ledges assisted in the settlement and that is already signed and done . This is a ratification of a previously negotiated settlement with DC Transport.

Board Member McPhie made a motion to approve Resolution 2015-11 as the Governing Board of the Jordanelle Special Service District and ratify the settlement agreement between DC Transport and Excavating and Twin Creeks Special Service District, Jordanelle Special Service District and Red Ledges Land Development. Board Member Kipp Bangerter seconded the motion and the motion carries with the following vote:

AYE: Kipp Bangerter
AYE: Greg McPhie
AYE: Mike Petersen
AYE: Mike Kohler
AYE: Kendall Crittenden

NAY: None.

REQUEST FOR APPROVAL TO PROCEED WITH APPRAISALS ON PARCELS OWNED BY JSSD, CONSIDERATION OF SALE OR LEASE OF PARCELS 00-0020 AND 00-0020-8391 TO THE TOWN OF HIDEOUT FOR A PUBLIC WORKS/PUBLIC SAFETY FACILITY.

Ron Phillips, General Manager, addressed the Governing Board of the Jordanelle Special Service District and indicated that JSSD has many parcels that they own and many of the parcels have been foreclosures because non-payment of assessments, etc. Ron also indicated that he would ask the JSSD Board tonight that you allow us to get more specific and that sent out an RFP for proposals from appraisal companies to get appraisals of these surplus parcels. Also there need to be an appraisal done before the properties can be sold. Then later also a RFP for a realtor to help sell these parcels. Ron also indicated that revenues that could be generated by selling these surplus properties could be a million to a million and a half in dollars that could be generated from the sale of these properties which would help generate revenue for legal fees and other expenses that have not been put in the budget yet. Ron also indicated that the Town of Hideout would like to buy two

parcels that were purchased from UDOT in order to put a pump station along Highway 224. On this particular piece of ground a realtor would not be necessary. Also the Daily West piece of property is included because there has been some interest in that.

Board Member Mike Petersen made a motion that we proceed with the process of appraisals in sending out an RFP for the surplus land parcels that are owned by the JSSD. Board Member Greg McPhie seconded the motion and the motion carries with the following vote:

AYE: Mike Petersen

AYE: Mike Kohler

AYE: Greg McPhie

AYE: Kipp Bangerter

AYE: Kendall Crittenden

NAY: None.

DISCUSSION OF POTENTIAL ACTIONS REGRADING DELINQUENT WATER RESERVATION FEES.

Ron Phillips, General Manager, addressed the Governing Board of the Jordanelle Special Service District and indicated that this is just a discussion item only. Ron indicated that he is recommending that the JSSD Board consider changing our policy regarding delinquent water reservation fees and will work with legal counsel to develop a recommended policy. Also if reservation fees are delinquent say for ninety days for instance the party will be notified in writing that they have thirty days to come current or they will lose the water reservation. The JSSD by consent indicated that Ron Phillips can go ahead with this project as has been indicated.

GENERAL MANAGER'S REPORT

Ron Phillips, General Manager, addressed the Governing Board of the Jordanelle Special Service District and indicated that he wanted to know if any of the board members would like to attend the Colorado Water User's Conference which is December 16 through the 19. Board Member Greg McPhie indicated that he is attending but the CUP is paying his way. The board members indicated that they would be in touch with the staff if they decide to go.

Ron Phillips also indicated that Doug Scow, Theresa, Baronek and Kierstan Smith have been working on tying down as close as possible where the JSSD is with regard to water reservations. As near as they could determine is that the total JSSD's water right holdings is 15,626.7092 acre feet of water and the current remaining balance of water rights is 1,385.47 acre feet. Also that the cushion or balance should be around 1,500 acre feet of water. Ron also indicated that as a result of those calculations people that are applying for new reservations when there is none available. This information has entailed an extensive process.

Board Member Mike Petersen complimented Ron Phillips, the General Manager, for having an item summary because that is very helpful on every item that is talked about.

OTHER BUSINESS

None.

Board Member Kipp Bangerter made a motion that we leave our regular session and go into Closed Session to talk about personnel. Board Member Greg McPhie seconded the motion and the motion carries with the following vote:

AYE: Mike Petersen

AYE: Mike Kohler

AYE: Greg McPhie

AYE: Kipp Bangerter

AYE: Kendall Crittenden

NAY: None.

**MINUTES OF THE
JORDANELLE SPECIAL SERVICE DISTRICT
CLOSED SESSION
NOVEMBER 5, 2015**

PERSONNEL

Board Chair Mike Kohler indicated that the Governing Board of the Jordanelle Special Service District is meeting in Closed Session to discuss Personnel. The meeting is being held in the Wasatch County Council Chambers in the Wasatch County Administration Building located at 25 North Main Street, Heber City, Utah 84032. The time is 6:30 p.m. Those present are:

PRESENT:

- Board Member Mike Petersen**
- Board Member Mike Kohler**
- Board Member Kendall Crittenden**
- Board Member Greg McPhie**
- Board Member Kipp Bangerter**
- Rick Tatton, doing minutes**
- Ron Phillips, General Manager.**

Because this matter involved personnel no minutes were taken.

Board Member McPhie made a motion to leave our Closed Session and go back into regular session. Board Member Kendall Crittenden seconded the motion and the motion carries with the following vote:

**AYE: Mike Petersen
AYE: Mike Kohler
AYE: Kipp Bangerter
AYE: Greg McPhie
AYE: Kendall Crittenden**

NAY: None.

Board Member Kendall Crittenden made a motion to adjourn. Board Member Kipp Bangerter seconded the motion and the motion carries with the following vote:

**AYE: Kendall Crittenden
AYE: Greg McPhie
AYE: Kipp Bangerter
AYE: Mike Kohler
AYE: Mike Petersen**

NAY: None.

Meeting adjourned at 7:30.

MIKE KOHLER/CHAIRMAN

AFFIDAVIT AFFIRMING PURPOSE OF
CLOSED PORTION OF MEETING

STATE OF UTAH)
 :SS
COUNTY OF WASATCH)

I, the undersigned affiant certify and affirm as follows:

1. The Wasatch County Council held a public meeting on the date shown below.
2. I was the presiding officer at that meeting.
3. A portion of that meeting was closed to the public in accordance with state law.
4. Any portion of that meeting which was not recorded pursuant to Utah Code Annotated 52-4-206 was for the sole purpose to discuss the purposes described under Utah Code Annotated 52-4-205 (1)(a), (1)f, or (2).
5. This affidavit is prepared in compliance with Utah Code Annotated 52-4-206 (6).

Date 11/5/15

Signed *Mike Kollen*

(Print Name) Mike Kollen

Title Chair

SWORN AND SUBSCRIBED to before me this 5 day of Nov, 2015.



Theresa A Baronek
Notary Public