

**MINUTES OF THE WASATCH COUNTY
ACTING AS
THE GOVERNING BOARD OF THE
JORDANELLE SPECIAL SERVICE DISTRICT
OCTOBER 15, 2019**

PRESENT: Board Chair Mark Nelson
Board Member Steve Farrell
Board Member Kendall Crittenden
Board Member Marilyn Crittenden
Board Member Spencer Park

EXCUSED: Board Member Danny Goode
Board Member Jeff Wade

OTHERS PRESENT: On list attached to a supplemental file.

STAFF: Ron Phillips, General Manager
Max Covey, Assistant General Manager
Doug Scow, Waster Rights Manager
Chance Morris, Distribution Manager
Wade Webster, Waste Treatment Plant Manager
Theresa Baronek, Treasurer, District Clerk
Dana Kohler, Accounting Clerk, Administrative Assistant
Kierstan Smith, Financial Officer
Rick Tatton, Court Reporter taking minutes

EXCUSED: Eliza McGaha, H.R. Administrator/Treasurer

Board Chair Mark Nelson called the meeting to order on Tuesday, October 15, 2019 and the time is 3:50 p.m. The record should further reflect that the Jordanelle Special Service District Governing Board is meeting in the Wasatch County Council Chambers located in the Wasatch County Administration Building, 25 North Main Street, Heber City, Utah 84302. Also Board Member Jeff Wade and Board Member Danny Goode are excused. Board Chair Mark Nelson then welcomed those present and called the first agenda item.

REGULAR SESSION

APPROVAL OF THE MINUTES FOR SEPTEMBER 20, 2019

Board Member Kendall Crittenden made a motion that we approve the minutes for the Jordanelle Special Service District for September 10, 2019 as written. Board Member

Marilyn Crittenden seconded the motion and the motion carries with the following vote:

**AYE: Board Chair Mark Nelson
AYE: Board Member Marilyn Crittenden
AYE: Board Member Spencer Park
AYE: Board Member Steve Farrell
AYE: Board Member Kendall Crittenden**

NAY: None.

WARRANT LIST APPROVAL

Board Member Steve Farrell made a motion to approve the warrants for the Jordanelle Special Service District in the amount of \$886,562.97. Board Member Spencer Park seconded the motion and the motion carries with the following vote:

**AYE: Board Chair Mark Nelson
AYE: Board Member Spencer Park
AYE: Board Member Kendall Crittenden
AYE: Board Member Marilyn Crittenden
AYE: Board Member Steve Farrell**

NAY: None.

ACCEPTANCE OF CONTRACTOR BID FOR TWO SEWER LIFT STATIONS

Max Covey, the Assistant General Manager, addressed the Governing Board of the Jordanelle Special Service District and indicated that the Jordanelle Special Service District advertised a request for bids for contractor services in September for the construction of the influent and effluent lift stations located on the campus of the Water Reclamation Facility. The influent station is required to lift the sewage flow into the WRF (Water Reclamation Facility) head works at a consistent flow. The effluent lift station will pump the WRF (Water Reclamation Facility) effluent flows into the Timpanogos Canal during the months it is operating. The two bids were done separately. Also there were only two companies that bid. One was Stapp Construction, the other Cop Construction. Also Stapp Construction was the low bidder on the influent pump station in the sum of \$923,697.00 and Cop Construction was the low bid on the effluent pump station in the sum of \$557, 280.00.

Max Covey indicated that it is the staff's recommendation to enter into a contract with both of these construction companies as indicated above.

Board Member Kendall Crittenden made a motion that we accept Stapp Construction for the bid on the influent pump station and Cop Construction's bid for the effluent pump station. The Stapp Construction amount is \$923,697.00 and the Cop Construction amount

is \$557,280.00. Board Member Spencer Park seconded the motion and the motion carries with the following vote:

**AYE: Board Chair Mark Nelson
AYE: Board Member Marilyn Crittenden
AYE: Board Member Kendall Crittenden
AYE: Board Member Steve Farrell
AYE: Board Member Spencer Park**

NAY: None.

ACTION ON METERING TOWER AGREEMENTS WITH THE TWIN CREEKS SPECIAL SERVICE DISTRICT AND THE NORTH VILLAGE SPECIAL SERVICE DISTRICT.

Max Covey, the Assistant General Manager, addressed the Governing Board of the Jordanelle Special Service District and indicated that the metering program is being run by the Jordanelle Special Service District and the Jordanelle Special Service District needs to contract with the Twin Creeks Special Service District and the North Village Special Service District so they pay their allocated share of costs.

Max Covey also indicated that the metering lease agreements between Jordanelle and the other two districts consist of two parts, a one-time charge and an annual fee. The leases terminate at the end of 4-years with no renewal options and are based on the same time frame as Jordanelle Special Service District's terms with the service provider. These fees will also be applicable when other users buy into the program and contract with the Jordanelle Special Service District for the service.

Ron Phillips, the General Manager, addressed the Governing Board of the Jordanelle Special Service District and indicated that these are the same two agreements that has already been acted on with the other districts and now just acting on it on behalf of the Jordanelle Special Service District.

Max Covey also indicated that the staff's recommendation that the Governing Board approve the Metering Tower Lease Agreements with Twin Creeks special Service District and the North Village Special Service District.

Board Member Marilyn Crittenden made a motion to give the General Manager Ron Phillips the authority to enter into Resolution 2019-10 between the Twin Creeks Special Service District and the North Village Special Service District. Board Member Spencer Park seconded the motion and the motion carries with the following vote:

**AYE: Board Chair Mark Nelson
AYE: Board Member Marilyn Crittenden
AYE: Board Member Spencer Park**

AYE: Board Member Steve Farrell
AYE: Board Member Kendall Crittenden

NAY: None.

**ACTION ON THE ADOPTION OF THE OPERATING RESERVE POLICY ND
CAPITAL REPAIR AND REPLACEMENT RESERVE POLICY**

Kierstan Smith, the Financial Officer, addressed the Governing Board of the Jordanelle Special Service District and indicated that the District desires to maintain a prudent level of financial resources to guard its stakeholders against service disruption in the event of unexpected temporary revenue shortfalls or unpredicted one-time expenses. The operating reserve policy is intended to document the appropriate Operating Reserve level, how the Operating Reserve is accumulated and maintained, and the conditions under which the Reserve may be used.

Kierstan Smith also indicated that the Capital Repair and Replacement Reserve Policy establishes the amount the District will strive to maintain in the Capital Repair and Replacement Reserve, how this reserve will be funded and the conditions under which the Capital Repair and Replacement Reserve may be used.

Kierstan Smith also indicated that with the Jordanelle Special Service District it is different than the other Special Service Districts in that \$100,000 will be funded each year up to the full depreciation amount as the District can with whatever money is available which will take quite a bit of time to fund that completely. The same situation applies with the Capital Repair and Replacement Reserve. Also Jordanelle just doesn't have the cash flow as is available in the Twin Creeks Special Service District and the North Village Special Service District.

Ron Phillips, the General Manager, addressed the Governing Board of the Jordanelle Special Service District and indicated that it sounds like that the Jordanelle Special Service District is not in as good of financial shape as the Twin Creeks Special Service District, the North Village Special Service District and the Strawberry Lakeview Special Service District but the Jordanelle Special Service District is in a lot better financial shape than four to five years ago when some of the operating funds for Jordanelle was coming out of reserves.

Kierstan Smith then indicated that she would recommend approval of such policies.

Board Member Kendall Crittenden made a motion that we adopt Resolution 2019-11 the Operating Reserve Policy and Resolution 2019-12 the Capital Repair and Replacement Reserve Policy for the Jordanelle Special Service District. Board Member Steve Farrell seconded the motion and the motion carries with the following vote:

AYE: Board Chair Mark Nelson
AYE: Board Member Spencer Park
AYE: Board Member Steve Farrell

AYE: Board Member Kendall Crittenden
AYE: Board Member Marilyn Crittenden

NAY: None.

LAND SWAP WITH WEST JORDANELLE L.L.C.

Max Covey, the Assistant General Manager, addressed the Governing Board of the Jordanelle Special Service District and indicated that the Jordanelle Special Service District has been working with West Jordanelle L.L.C. to procure property adjacent to the District owned property located on Old Highway 40. The property procured from West Jordanelle L.L.C. is critical for the operation of the Water Reclamation Facility and other District operations. The property that the Jordanelle Special Service District will turn over to Jordanelle Ridge Plat B Town Homes is not as usable to the Jordanelle Special Service District. When we brought this to the Board in August there were some questions about whether this conflicted with the open space for Jordanelle Ridge home owners. It does not and we are requesting Board approval to move ahead with this proposed land swap. Max Covey also indicated there are two actions here and one would be to vacate the land from the Jordanelle Ridge "A" which is already deeded to us so it can now be recorded. The second action would be the exchange for the eight acres for the forty Jordanelle Special Service District's acres up on the hillside. Also before any action was taken the Governing Board needs to approve to start the process to see what action would need to be taken.

Max Covey, indicated that the staff would like the Board to approve that action be taken to move forward in this matter.

The Jordanelle Special Service District Governing Board had a discussion regarding the matter and it was felt that it would be better if there was a three-way agreement with the Jordanelle Special Service District, Sorensen as well as the Jordanelle Plat "A" Home Owner's Association. Also indicate to Sorensen that before the District moves any further that you need to work this out with the Plat "A" Home Owner's Association. Then when there is an agreement with all the necessary parties in place then Jordanelle could go to Wasatch County to see what steps would be necessary for this to take place.

STAFFING STUDY DISCUSSION

Ron Phillips, the General Manager, addressed the Governing Board of the Jordanelle Special Service District and indicated that in 2014 the District requested proposals for an organizational, staffing and operations review. Two proposals were received but never acted upon. With the growth the districts are experiencing, we now feel it is time to request proposals again and have our organization, staffing and operations reviewed by a professional outside team of organizational experts. We are seeking the Board's approval to proceed with a RFP process with the idea of funding the study and authorizing it in the next fiscal year beginning in January. Also

the cost of such a review would be somewhere in the range of \$50,000. We think that a study such as this would be very helpful.

Max Covey, the Assistant Manager, indicated that we just need to make sure that we are optimized right and everybody is doing everything they can and then possibly the study would justify some additional staff. We are going to need additional staff for that Water Reclamation Facility when it starts. Is there enough staff and can we do different jobs to make it more efficient. There are these areas to be studied which are Administration, Water Treatment, Collections, Distribution and the Mine. Also the growth that is taking place is a big concern also and right now for next year looking at hiring four new staff members next year.

The Governing Board was not against going through the RFP process to see what such a study would cost and then bring the matter back before the Governing Board.

GENERAL MANAGER'S REPORT

Ron Phillips, the General Manager, addressed the Governing Board of the Jordanelle Special Service District and indicated that the sewer line and the two water lines that come off the side of the Jordanelle Dam the project is almost completed and will be completed by the end of this month.

Also we are pleased with the new Administration Building and to have the open house this evening.

OTHER BUSINESS

Ron Phillips, the General Manager, addressed the Governing Board of the Jordanelle Special Service District and indicated that he has no other business.

CLOSED SESSION

Ron Phillips, the General Manager, addressed the Governing Board of the Jordanelle Special Service District and indicated that there is no need for a Closed Session this evening.

ADJOURNMENT

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

AYE: Board Chair Mark Nelson

AYE: Board Member Marilyn Crittenden
AYE: Board Member Kendall Crittenden
AYE: Board Member Steve Farrell
AYE: Board Member Spencer Park

NAY: None.

Meeting adjourned at 4:30 p.m.

MARK NELSON/CHAIRMAN