

TIMPANOGOS SPECIAL SERVICE DISTRICT
ADMINISTRATIVE BOARD MEETING MINUTES

APPROVED

August 16, 2018 6:00 p.m. Conference Room

Board Members

Present:

David Bunker	Dale Ihrke	Craig White
Jay Meacham	Mark Christensen	Sullivan Love
Lynn Walker	Chris Condie	Blaine Thomas
Brian Braithwaite	Chandler Goodwin	

Excused:

Commissioner Bill Lee Mack Straw

District Staff:

Richard Mickelsen, District Manager
David Barlow, District Engineer
Shannon Hansen, Human Resource/Administrative Assistant
Danette Smith, Board Secretary
Joe Martin

Others:

Craig Carlile, Ray Quinney and Nebeker
Brandon Wyatt, Bowen Collins & Associates
Brandon Heidelberger, Brown and Caldwell

Call to Order

David Bunker, Board Chair, called the meeting to order. 6:00 p.m.

Public Comment

There was no public comment.

Approval of Minutes

1. Approval of the July 19, 2018 Administrative Board Meeting Minutes
2. Approval of the July 19, 2018 Biosolids Management Workshop Minutes
3. Approval of the February 24, 2017 Board Retreat Minutes

Brian Braithwaite made a motion to approve the minutes from the July 19, 2018 Administrative Board Meeting, the minutes from the July 19, 2018 Biosolids Management Workshop, and the minutes from the February 24, 2017 Board Retreat. Lynn Walker seconded the motion. Those voting "Aye" – David Bunker, Dale Ihrke, Mark Christensen, Brian Braithwaite, Lynn Walker, Chris Condie, Craig White, Jay Meacham, Sullivan Love and Chandler Goodwin. Blaine Thomas abstained. The motion passed.

Consent Calendar

There were no items on the consent calendar.

Action Items

1. Proposal from Hansen, Allen & Luce – District Flow Meter Evaluation Study.

Richard said the total project cost of this is \$200,000, the cost for this phase is \$18,050. The overall project is to discover what we need to do to improve the meters. The first step is to do an audit on that. Dale said the proposal shows 19,172. Richard said that is the correct amount. Jay Meacham asked how often we do those evaluations.

1 Richard said as far as he knows we have not ever done that. The meter calibrations are done quarterly, but an audit
2 on the flow meters has not been done. Richard said it does not just audit the actual flow meter it will audit the staff's
3 input on how we are handling each of the different flow meters and makes sure those are sized appropriately. It also
4 takes in to account future growth. Chris asked when this is done, if it will give us an idea how often to do this in the
5 future? Richard said that will be part of the recommendation to us, and he has requested they inform us how other
6 District's charge.

7
8 **Chris Condie made a motion to approve the Proposal from Hansen, Allen and Luce for the District Flow**
9 **Meter Evaluation Study for \$19,172.00. Sullivan Love seconded the motion. Those voting "Aye" – David**
10 **Bunker, Dale Ihrke, Mark Christensen, Brian Braithwaite, Blaine Thomas, Lynn Walker, Chris Condie,**
11 **Craig White, Jay Meacham, Sullivan Love and Chandler Goodwin. The motion passed unanimously.**

12 13 **2. Change Order No. 1 EEAT – Electrical Safety Compliance**

14 Richard said this is a change order for the Electrical Safety Compliance. This is on the approved budget for
15 \$100,000. This takes in to account implementation of various safety and compliance improvements around the plant.
16 The Boat Harbor Lift Station and the Dry Creek Lift Station were not included in the initial proposal. This change
17 order will include the same safety and compliance improvements for those two lift stations. David Barlow said the
18 change order is for \$6,500.00. Jay Meacham asked what an arc flash study is. David Barlow said a lot of it is the
19 different procedures we should follow with respect to the electrical components. Dale Ihrke said some of the switch
20 gears, when disconnected, flash as the breakers are breaking apart and the heat can be so intense it is like lightning.
21 Dale said they do this study and tell you which breakers are susceptible to it and there are safety procedures put in
22 place to protect employees.

23 Jay Meacham asked why there is a sub-consultant. David Barlow said there is EEAT and he subbed out Searle
24 Electric to do the construction part of it and that is included in the \$6,500. Jay asked if they were working together
25 on the original contract or just on this change order. David Barlow said the original contract was all through EEAT.

26
27 **Chris Condie made a motion to approve Change Order No. 1 for EEAT, Electrical Safety Compliance**
28 **Study for \$6,500.00. Dale Ihrke seconded the motion. Those voting "Aye" – David Bunker, Dale Ihrke,**
29 **Mark Christensen, Brian Braithwaite, Blaine Thomas, Lynn Walker, Chris Condie, Craig White, Jay**
30 **Meacham, Sullivan Love and Chandler Goodwin. The motion passed unanimously.**

31 32 **Finance**

33 **1. Financial Report**

34 Joe Martin said he missed last month so there are June and July financial statements in the board packet. Joe said
35 we discussed a couple of months ago that the revenue is less than this time last year. This was due to a reduction in
36 flow from IM Flash. Last year at this time we had just over \$10.4 million in revenue and now we are at \$9.8 million.
37 Joe said he would anticipate that reduction in revenue will carry forward through the rest of the year. Joe said our
38 expenses are little less than they were a year ago at this time; \$6.3 million last year compared to \$6.1 million now.
39 Our debt is higher, as far as our interest expense, because we have another set of bonds and we are paying on both.

40 Joe said impact fees are quite a bit lower than last year. Joe handed out a graph that showed how the impact fees
41 compared to last year. Chris asked how much of that decrease may be due to the impact fee rate being decreased last
42 year. Joe said that is probably a big part of it. Mark Christensen asked if Joe has the number of total building
43 permits issued and if he could add that to this analysis. Joe said he did not have that number right now, but he thinks
44 that could be put together before next meeting. Joe said on the budget to actual, we are about 58% of the way
45 through the year and our expenses are well below that. Joe said the impact fee report that shows all the cities have
46 sent everything in for June and we have received four payments from July's impact fees. Joe said this report is
47 another internal control we use where we independently fill this out from the checks received and make sure it is tied
48 to the general ledger. There is also another impact fee report that shows where the balance is of where we are at in
49 paying ourselves back. The balance is about \$52 million that we still owe ourselves; a huge chunk of that is the
50 payments made on the lawsuits. David Bunker asked Joe to keep the board up to date, if we need to make

1 adjustments, so they are aware in advance. Joe said he thinks we are going to need to address the budget at some
2 point. We always budget conservatively but there are few items, specifically project items, that will need to be
3 addressed.
4

5 **Communication**

6 **1. Engineering Update – Brown and Caldwell**

7 Brandon Heidelberger, Brown and Caldwell, said they met with TSSD staff yesterday to go over biosolids
8 alternatives from the Technical Memorandum and the Board Workshop. They will incorporate comments into a
9 final report for the board.

10 Brandon said they received a draft variance from DWQ a couple of weeks ago. They had a chance to review that
11 and have sent comments back to them. Essentially it is a four-year extension from 2020 to 2024. It is a tiered
12 approach, 2 years at 2.6 mg/L and 2 years at 1.5 mg/L and be in compliance by January 1, 2024. There are some
13 annual reporting requirements associated with that variance as well. Brandon said they received notice today that is
14 out for public comment, and once it has received comments it will be finalized.

15 The blower procurement invitation to bid for Integrally Geared Turbo Blowers were public advertised on August
16 7th and 8th. It went through Sci-Quest, a State of Utah Purchasing public noticing website, Salt Lake Tribune, and the
17 Daily Herald. There was a pre-bid meeting on Tuesday this week, and there are at least three bidders interested in the
18 project. Those bids are due August 29th. Once the bids are received, they will be reviewed with staff and a there will
19 be a recommendation for award at the September 20th Board Meeting. Brandon said they are approaching a 30%
20 design submittal for the aeration systems controls. There will be a workshop scheduled for early October and final
21 design early next year. Dale said at the last board meeting they were leaning toward the IGT Blowers, is staff on
22 board with those? Brandon said but they looked at additional information and went back through the analysis and
23 staff felt comfortable with the IGT Blowers.
24

25 **2. Manager's Report**

26 Richard said there is a profile summary to be put on the District's website. Richard said he likes to attach
27 reference material, so the manager report is more of an outline. The first item was a list of goals Richard is striving
28 to obtain. Richard said he spoke with DWQ today, after seeing that the variance request had not been noticed. DWQ
29 told him it is delayed and will be noticed August 18th. The public comment will be finished by September 17th. As
30 Brandon Heidelberger mentioned, the extension on the variance request is 2.6 mg/L until 2022 and 1.5 mg/L until
31 2014. Those are yearly averages. Our current average for the year is around 1.0 mg/L. Richard's hope is that we
32 will be able to utilize what we have to get down and stay down. David Bunker clarified that is a yearly average,
33 even though we may be higher in those warmer months we can still meet that yearly average. Richard said yes, in
34 the colder months we do better. Richard said he thinks the blower project is a good project to have but thinks there
35 are other aspects we need to look at.

36 Richard said in the long run the Utah Lake Steering Committee and the Science Panel are going to be setting the
37 information for the TMDL. DWQ will then come back and set a limit on the District. If they come back and say we
38 need to meet a .1 mg/L or .05 mg/L limit that will escalate the costs because we will have to add chemical or some
39 other way to reduce the phosphorus. Politically, we need involvement with the Utah Lake Commission in order to
40 have input there and push them to make the right decisions on the questions we are asking: 1) What was the
41 historical condition of Utah Lake? 2) What is the current state of the Utah Lake? 3) Can an improved stable state be
42 reached? 4) Define nutrient criteria that support existing beneficial uses. There is a lot of debate right now on that
43 question. We want that one taken out as something they are looking for. It appears to us that they are writing a
44 narrative that even if the numbers come in they can say "it still doesn't look pretty enough." They are willing to
45 change things at this point, so we can get them to change it, it will make it more definite.

46 The Steering Committee is trying to solidify these with a bunch of sub questions, so the science panel can design
47 experiments. Richard said David Barlow is on the Steering Committee; he is not. Richard said he will still be
48 attending and address the science panel members individually and pushing his understanding. If they will entertain
49 the motion to have him replace David, he would be open to that. He has to work within the grounds they have set,
50 because they have set the rules. Brian said on question 3 – Can an improved stable state be reached? We have talked

1 about the high likelihood that what we (WWTP) may be putting in such a small amount into the lake, that the effort
2 in reducing it that may not have any impact at all. Brian said one of the elements that is causing a frenzy with the
3 public is the fact that Utah Lake is having these outbreaks. Yet, bodies of water that have no treatment going into it,
4 have the same number of outbreaks.

5 Richard said he gave a presentation on Utah Lake to the legislators last fall. In that presentation, he showed that it
6 is not all about the chemistry. It is not just his opinion, but from an engineering firm that has hundreds of years of
7 collective experience on repairing and recovering water bodies. They show that even getting back to the same
8 chemistry level before the lake went eutrophic, you will still never get back to the cleaner water bodies without the
9 ecology. You have to have the appropriate subaquatic life and other things that can filter out the water body. One of
10 the researchers did work with a lake in Michigan, where they put in a fish enclosure. There is a huge green water
11 body and then the fish enclosure that is clear as a bell. We want to do that kind of experiment here and get the
12 funding from the Science Panel. Richard would want it to be right here, so we can show that our discharge to the
13 lake is not affecting what is happening. Richard said he has volunteered us and hopes that is ok.

14 Sullivan asked what we can do as an entity to help steer the public in the right direction. If there is some way to
15 turn that public perception around. Richard said we are already doing something in being part of the Wasatch Front
16 Water Quality Council, which Leland Myers is heading up. Leland has been heavily involved with the marketing
17 firm of Wilkinson Ferrari. They are putting out an op-ed and flyers which Richard could bring to the next meeting for
18 the board to see.

19 Richard said last week the Steering Committee and the Science Panel went on a tour of Utah Lake. While they
20 were out there, one of the researchers jumped off the boat and was gone under water for two minutes or more, with a
21 breathing device. After he had investigated, he came up with a sample off the bottom. The very next day they posted
22 the lake as dangerous and shut it down. The DWQ paints a terrible picture of the lake and they have the health
23 department on board to have a very low detection level. Richard said he is hopeful that we could persuade the health
24 department, to raise those levels up to World Health Organization levels and keep the lake out of the warning level
25 stage.

26 Brian said it will be more valuable if there is something to point to where the public can see it is not TSSD.
27 Richard said he would actually point to the DWQ website. Richard said he can read the same article as the Utah
28 County Health Department and determine for himself that threshold is not where it should be. With information
29 from the study, you would need to consume about 12 oz day for 28 days before you would get the health effects the
30 health department is protecting against. But, they do not list that information. Brian said we need to have something
31 that points out that discrepancy, so a lay person can easily find that instead of dig through and understand it.

32 Richard said there has been some legislative action with the legislators setting HB 365 last year. There has been
33 action happening in the interim committees and it has been moving further away from what DWQ would like. There
34 is revision 14 they will probably vote on next month. Richard said he would send details out to the board.

35 Richard said we are going to begin the budget process. Richard said David Bunker had asked him to take a look
36 at the Board Retreat that happened back in February 2017, hence the minutes that were approved tonight. It would
37 be beneficial if we had a discussion about some of these things. We would like to do that in September. David
38 Bunker said there were four board members who were not on the board at the time of the retreat last year. Please
39 take a look at the topics covered and discussion. Some of those issues may have been resolved but some are still
40 outstanding.

41 Chandler Goodwin left. 6:52 p.m.

42 David Bunker said they wanted to have the budget workshop in advance of the preliminary budget to understand
43 the goals and priorities of the District, so we can fund certain projects or activities. There was discussion on the date.
44 David Bunker said if everyone is available on September 28th they will try for that day.

45 Richard said he has focused a lot on the staff since he has been here. One direction he was given were the
46 evaluations for staff. The evaluations have been done, but they have not been given their raise for this year. There
47 was also a market study that has been put out. Richard said there is an employee organization chart in the packet,
48 which lists the different department and how many people are in each department. Richard said he has met with all
49 of the supervisors for a short meeting to get introduced and learn what department they cover. He then spent at least
50 three hours with each supervisor going over the employee evaluations from their department. He addressed three

1 things they liked about their department and three things that need improvement. Richard said if he has supervisors
2 that can delegate appropriately they will be able to do their job. There are 48 employees. When we hit the 50-
3 employee mark, it puts us in a different ballgame with the HR Law. There are federal and state laws to comply with.
4 There are different laws for the number of employees you have. We are complying with the 50+ employee laws
5 already. Shannon is doing a good job keeping us up on that.

6 Richard said we have one employee that has had some health issues. He has been out for a about a week and a
7 half and going to the doctor trying to diagnose his issue. They have not been able to track down what that is yet. It is
8 a concern because he hasn't yet been here a year, so he does not qualify for short term disability. We are keeping an
9 eye on what we can do to help him. It is in the employee handbook that employees can donate their banked holiday
10 and vacation time, so we have opened it up for them to do that. Because some employees who have been here for
11 quite some time, have banked sick leave, they have asked if they can donate that time. Richard said that approval
12 would have to come from the board for them to utilize their sick leave. If they donate that time it would come off our
13 accounting books, as when they retire we still have to pay them out for that sick leave. David Bunker said he thought
14 the Administrative Committee could look at that and see if we need to change that policy. Mark Christensen said his
15 city just implemented a policy like that and there are some IRS regulations we will want to look at to make sure we
16 are not going afoul on things. We need to be a little cautious.

17 Brian asked about the organization chart. Is that how many are actually employed or are those open positions.
18 Richard said those are currently employed. Brian asked if we have open positions. Richard said these are all the
19 positions at the plant. Richard said he is evaluating this with Shannon, he is not sure what our policies are or if we
20 have career progression for these different positions. That is part of the market study and he has not read through that
21 to see how we compare. Richard said he was more determining evaluations for last year and current knowledge base.
22 Brian asked if Richard could change this chart to identify which ones are filled. Brian said knowing the position
23 exists is important, but it is also important to know which ones are filled. Richard said if you look at the
24 maintenance/operations departments, it has been his experience that there are basically two divisions with the same
25 jobs. Richard would like to change the structure from the two divisions, Maintenance and Operations into one
26 division of Maintenance/Operations. It will cut our job description details in half and will give specific goals; they
27 have to be able to do both anyway. Richard said he wants to change this and sit down with HR and lay it all out to
28 progressive career opportunities. Then we can show where we are lacking and look at it from the Administrative
29 Committee to see if we have enough people or too many. Richard said he does not know that answer until he
30 finishes his evaluation of the facility. Shannon said right now, there are 2 vacancies, one operations and maintenance
31 foreman and one solids handling operator. The other positions which show (0) are career ladder as they move up.

32 Richard said he put together charts to show how many service years employees have. There are years here at the
33 District years and years of service in their current profession. Richard said more than half our staff have less than 5
34 years here at the District. With institutional knowledge and changes made over the years, he is trying to catch up 35-
35 40 years of information. That is a lot of training the staff is lacking for this facility. The sewer years show
36 experience has been brought in.

37 Brian asked about Richard's goals, number 6 is to review asset management and maintenance. Brian said we
38 have worked hard the last two years, trying to implement the asset management. It has a lot to do with our
39 organization as a whole. As he is looking at Richard's goals it feels almost like a side piece. Does Richard have
40 somebody that is specifically assigned to it, and is it high priority for them, and Richard's goal is to make sure they
41 stay on track? Or is it not a high priority to him. Richard said when he thinks of asset management, he was thinking
42 of different tags on each one of our motors, blowers, assets here at the plant, with a finite repair schedule, and life
43 schedule. To him that is what an asset is. As we are putting money into that for operations/maintenance he would
44 like to have something in place that can help us predict when each piece of equipment needs to have maintenance or
45 repairs. Walking around the plant, there is a lot of stuff written down, but if it is not accessible and usable to help us
46 determine when we need to perform maintenance on an asset, that is what is asset management.

47 Asset management can also mean assets as you are trying to acquire them; Richard feels that is considered more
48 of a capital improvement project. Also, an asset such as a district sewer line, if we put in money in to clean a line
49 and extend the life, that is an asset that is more operation and maintenance. Brian said he appreciates Richard
50 wanting clarification and believes we are talking the same thing. Brian said we are talking a 50-year plan, and in

1 those 50 years some things are changing out on a yearly basis, some are a 10, 15, or 20 on up to 50-year basis. Brian
2 said we have a program that is supposed to help identify when we should be looking at each of those assets and
3 making a change. This also ties back into our budget, so we can set aside cash or plan to bond whatever asset is at
4 risk. Brian said that has been critical in getting our finances structured over the last couple of years. Richard said
5 when he put his goals together he worked from the top down, but it does not mean one is more important than the
6 other.

7 Richard said staff needs to have responsibility and assignments and then if things go wrong, they should know
8 how to repair it. He wants the employees to know their responsibility, so they're held accountable for it. Richard
9 said his experience has been that as you give someone responsibility they take pride in their work. That ties directly
10 into the assets. Employees are going to have to find them, know about them and what their maintenance and
11 replacement is and then input that information into the Management Plus System, or other software. Brian said it is
12 really an issue of how that becomes part of our culture because it hasn't been in the past, no fault of anyone. We are
13 now getting big enough and dealing with big assets that we have to be on top of it. Brian said it our responsibility, as
14 a board, that we are implementing the right infrastructure. Richard said if you look over his goals that happens to be
15 one he has already started to address.

16 Mark Christensen said he wants these to be the organization's goals and not just Richard's specific goals. He
17 wants to have buy in from the staff and have them follow Richard because he is a leader. Mark said this is a great list
18 of things, but he also wants the District to come together as a team. Richard said he appreciates that and the board is
19 welcome to talk with the staff because he thinks they would find that to be the direction he is going. Richard said he
20 has to get buy in from staff, if they do not know what their goals should be then that is where he is starting. David
21 Bunker said this needs to be discussed in more detail and that is one reason this workshop will be helpful because
22 these goals will change and shift. David thanked Richard and said he is doing a great job.

23 David Bunker said Dale Ihrke had discussed committee assignments. David said per the By-Laws the Board Vice
24 Chair would be the Administrative Committee Chair, so that would be Dale Ihrke. Also, on the Administrative
25 Committee is Mark Christensen, Chandler Goodwin and Commissioner Bill Lee. The Finance Committee would be
26 Brian Braithwaite as the Chair, with Craig White, Blaine Thomas and Chris Condie. The Engineering Committee
27 Sullivan Love as the Chair, with Mack Straw, Lynn Walker and Jay Meacham. David Bunker said everyone on the
28 board has a skill set and these committees fit into that skill set. The Administration Committee is going to try to
29 meet next week. The Finance Committee is trying to set something up soon. David said the Engineering Committee
30 has been tasked with some heavy lifting, and we appreciate their work on that. David said he has asked Dale to
31 continue to attend those committee meetings. Sullivan said they have been typically meeting the fourth Thursday of
32 the month. David Bunker said standard meetings are great, but they do not need to be like that.

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Closed Meeting

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There was no closed meeting.

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**Adjourn: Chris Condie made a motion to adjourn. Lynn Walker seconded the motion. All present
39 "Aye". Meeting adjourned. 7:26 p.m.**

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