

Timpanogos Special Service District
Administrative Board
Electronic Meeting Minutes
6400 North 5050 West Utah County, Utah

APPROVED

February 16, 2023

6:00 p.m.

Conference Room/Electronic Meeting

Board Members:

Present: Sullivan Love (Chair) Neal Winterton Brian Braithwaite
Jay Meacham (Vice Chair) Richard Nielson Chris Condie
Mark Christensen Lon Lott

Electronic: Mack Straw

Excused: David Bunker Craig White Chandler Goodwin
Blaine Thomas

District Staff: Richard Mickelsen, District Manager Shannon Hansen, Administrative Manager
David Barlow, District Engineer Danette Smith, Board Secretary
Joe Martin, CPA

Others: Mark Bell, Hayes Godfrey Bell Mark Anderson, Zions Public Finance
Eric Hunter, Chapman and Cutler Brandon Wyatt, Bowen Collins Associates
Ryan Bench, Carollo Engineers Robert Hamilton, Executech

Call to Order

Sullivan Love, Board Chair, called the meeting to order 6:02 p.m.

Public Comment

There was no public comment.

Approval of Minutes

1. Approval of the January 19, 2023 Administrative Board Meeting Minutes

Jay Meacham made a motion to approve the minutes of the January 19, 2023 Administrative Board Meeting. Lon Lott seconded the motion. Those voting "Aye" – Sullivan Love, Lon Lott, Mark Christensen, Chris Condie, Brian Braithwaite, Jay Meacham, Richard Nielson, Neal Winterton, and Mack Straw. The motion passed unanimously.

Consent Calendar

1. TSSD Check Register
2. CL-N1: Sundt Pay Request No.4

Brian Braithwaite made a motion to approve all items on the Consent Calendar – TSSD Check Register and Sundt Pay Request No. 4 as presented. Jay Meacham seconded the motion. Those voting "Aye" – Those voting "Aye" – Sullivan Love, Lon Lott, Mark Christensen, Chris Condie, Brian Braithwaite, Jay Meacham, Richard Nielson, Neal Winterton, and Mack Straw. The motion passed unanimously.

Finance

1. Financial Report

1 Rich Mickelsen said the finance report will be presented next month. The financials and the 2022 Impact Fee Report
2 were in the board packet for review.

3 4 **Action Items**

5 **1. Award of Legislative Consultant**

6 Rich said the Administrative Committee voted on the SOQ;s received. The scoring sheet was inadvertently left out
7 of the board packet. Lon Lott and Mark Christensen said they were part of this review and scoring as part of the
8 Administrative Committee and it was unanimous with the committee members present that LEC, Hemmco and
9 Beekeeper Consulting were the high score. Mark Bell said he thought it was safe to go ahead with the award, as several
10 board members participated in the scoring. Mark Christensen felt comfortable in making a motion.

11
12 **Mark Christensen made a motion to award the Legislative Consulting Contract for the District to Legislative**
13 **Executive Consulting (LEC), Hemmco, and Beekeeper Consulting and to authorize District Manager, Rich**
14 **Mickelsen, to sign the contract on behalf of the District. Mack Straw seconded the motion. Those voting “Aye” –**
15 **Those voting “Aye” – Sullivan Love, Lon Lott, Mark Christensen, Chris Condie, Brian Braithwaite, Jay**
16 **Meacham, Richard Nielson, Neal Winterton, and Mack Straw. The motion passed unanimously.**

17 18 **2. TSSD Electronic Meeting Resolution 2023-01**

19 Rich said this resolution ensures the District follows the electronic meeting law passed last year. Proxy voting was
20 not included in our previous policy; and this resolution states that voting by proxy shall not be allowed at any meeting of
21 the Administrative Board. We have already been practicing other parts of this, so this resolution brings everything
22 together.

23
24 **Richard Nielson made a motion to approve Resolution 2023-01 on the electronic meeting rules of the TSSD**
25 **Administrative Board. Lon Lott seconded the motion. Sullivan Love, Board Chair took a roll call vote. Those**
26 **voting “Aye” - Sullivan Love, Lon Lott, Mark Christensen, Chris Condie, Brian Braithwaite, Jay Meacham,**
27 **Richard Nielson, Neal Winterton, and Mack Straw. David Bunker, Craig White, Chandler Goodwin and Blaine**
28 **Thomas were not present. The motion passed unanimously.**

29 30 **3. TSSD Delegating Bond Resolution 2023-02**

31 Rich said this resolution is authorizing the issuance and sale of up to \$35 million sewer revenue bonds of the District;
32 giving the maximum aggregate principal amount of the bonds, the maximum number of years over which the bonds may
33 mature, the maximum interest rate which the bonds may bear, and the maximum discount from par at which the bonds
34 may be sold; authorizing the publication of a notice of public hearing and a notice of bonds to be issued; and related
35 matters. Brian Braithwaite said this is one of multiple bonds the District will need to do. This is not committing to the
36 bond but establishing parameters. Our bond council has been helping us identify those parameters to make sure we get
37 the appropriate type of bonds.

38
39 **Mark Christensen made a motion to approve Parameters Resolution 2023-02 and the terms established in the**
40 **resolution. Brian Braithwaite seconded the motion. Sullivan Love, Board Chair took a roll call vote. Those**
41 **voting “Aye” - Sullivan Love, Lon Lott, Mark Christensen, Chris Condie, Brian Braithwaite, Jay Meacham,**
42 **Richard Nielson, Neal Winterton, and Mack Straw. David Bunker, Craig White, Chandler Goodwin and Blaine**
43 **Thomas were not present. The motion passed unanimously.**

44 45 **4. Discuss/Recommendation of Bond Sale Methodology**

46 Rich Mickelsen said the board has been provided with two calendars of events: one for direct sale and one for
47 competitive sale. The calendar we use will be determined by the bond sale methodology the board recommends to
48 council. Mark Anderson, Zions Public Finance, said they met with the finance committee and developed the parameters
49 resolution. They are looking for direction on the preference of the board on how the bonds would be sold. Mark
50 Anderson gave a presentation on bond sale methodology including competitive sales, negotiated sales and direct

1 purchase. Chris Condie asked if you could go do a 30-year term on the competitive sales. Mark Anderson said you
2 could, but you would have to amend the parameters resolution that was just approved. They have anticipated this would
3 have a term of 20 years. Mark Christensen said we know we are going to be issuing a lot of debt over the next several
4 years and fundamentally, over time, he thinks the competitive sales will be a better option. Mark said Zions has done a
5 great job of presenting the numbers and he thinks those numbers are solid, but no one knows what the rates will be in 30
6 days or 60 days. Generally speaking, Mark thinks you do get better deals on competitive sales.

7 Mark Anderson said he is not going to recommend a specific course of action. He is trying to educate the board and
8 get direction on how they would like bond council to proceed. Mark said he would indicate that rates will be more likely
9 to go up then down. Brian Braithwaite said the finance committee discussed the unknowns in the future of expenses and
10 what we are building. It is a difficult thing to guess what our costs are going to be. If we were to find that the costs a lot
11 less, then it will impact future bonding. We do not know what the gas impact will be as we sell back natural gas or if
12 that will happen. Brian said some level of flexibility is going to be warranted as we move forward. As we get closer to
13 some of these projects, we will have a better feel of the accuracy. Brian said it is valuable that we have bond council
14 that is providing clarity for all the options. Brian said he is great with moving forward with market price with this one,
15 but that may change in future. Mark Anderson said with additional bonding issued in the future, you may want to have
16 pieces that are flexible and pieces that are fixed. There is plenty of opportunity to look for more flexible options going
17 forward.

18
19 **Brian Braithwaite made a motion to recommend bond council pursue the calendar for a competitive sale.**
20 **Mark Christensen seconded the motion. Those voting “Aye” – Those voting “Aye” – Sullivan Love, Lon Lott,**
21 **Mark Christensen, Chris Condie, Brian Braithwaite, Jay Meacham, Richard Nielson, Neal Winterton, and Mack**
22 **Straw. The motion passed unanimously.**

23 24 **Communication**

25 **1. Manager’s Report**

26 Rich went through a few bills in the legislature. With SB 242, Blue Stakes bill has just today been pushed to the
27 interim and will not be passed this year, so there will be more time for that. Rich said with HB 349 - Water Reuse Bill,
28 there are some concerns. We have met with our consultant Holland and Hart; the intent is to close the door on water re-
29 use and then it would have to be mitigated and there would be other constraints that would come with that. They have
30 moved the date to be September 1st. They are fully aware of the District’s efforts we have been working on the last four
31 years on our water re-use project and the state engineer is waiting for us to submit our change application and our
32 program. They are aware of what we are trying to do and were amenable to move the date and give us a little time to
33 finish up what we are doing. Rich said that will most likely get support from leadership and get passed. We have put in
34 our comments and we think that as it is written we are still going to be able to use our re-use as Rich has explained to the
35 board. There is some legislation that would appoint a Great Salt Lake Commissioner that will start keeping track of
36 everything to help the Great Salt Lake. Rich anticipates that will be someone who watches over all the water that is
37 feeding it.

38 39 **2. Plant Performance**

40 Rich said we are still having trouble with the accurate reading coming into the influent. We have slated to rebuild that
41 whole front-end area, but right now there are a lot of flows coming in on one side of this wet well and causing a large
42 change in the flow going through the Parshall flume. It is supposed to be a steady flow, but it is significantly changing
43 up and down. The number showing on the report 18.3 mgd is low and we know it is low because we have a mag meter
44 that pumps the water that is more accurate. It should be closer to 21 mgd.. We have had it calibrated, but it is just the
45 delay in going through that Parshall flume which is in the plant upgrade to correct that. Until we get that done, we need
46 to figure out a better way to get a more accurate number coming into the plant. We also have the six flow meters
47 coming in from the cities that are accurate, which is another way we know this is wrong.

48 Rich said effluent phosphorus is down to .3 mg/L which is good. We have challenges with some of our
49 diffusers, which we have to overcome. Brian Braithwaite said the state just announced an \$11 billion dollar expansion
50 of Texas Instruments in Lehi. Brian asked if we have any expectations of when that growth is happening. Chris Condie

1 said the agreement with Lehi City says it would be within the next 10-12 years. Brian asked if there is any idea of the
2 flow. Chris Condie said he had not heard any numbers yet, but he believes they are trying to mitigate more than what IM
3 Flash mitigated. Rich said we have met with Texas Instruments and reassured them that our business is to treat
4 wastewater and to be able to support them. We have started discussions, but nothing is finalized.

5

6 **Closed Session**

7

8 **Chris Condie made a motion to go into closed session in the conference room of the District for litigation and**
9 **land acquisition. Brian Braithwaite seconded the motion. Sullivan Love, Board Chair, took a roll call vote.**
10 **Those voting “Aye” - Sullivan Love, Lon Lott, Mark Christensen, Chris Condie, Brian Braithwaite, Jay**
11 **Meacham, Richard Nielson, Neal Winterton, and Mack Straw. The motion passed unanimously. 6:51 p.m.**

12

13 **Lon Lott made a motion to go out of closed session and back into regular session. Richard Nielson seconded**
14 **the motion. Those voting “Aye” - Sullivan Love, Lon Lott, Mark Christensen, Chris Condie, Brian Braithwaite,**
15 **Jay Meacham, Richard Nielson, Neal Winterton, and Mack Straw. The motion passed unanimously. 7:07 p.m.**

16

17 **Adjourn: Jay Meacham made a motion to adjourn. Lon Lott seconded the motion. All present “Aye.”**
18 **Meeting adjourned. 7:08 p.m.**

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