

TIMPANOGOS SPECIAL SERVICE DISTRICT  
ADMINISTRATIVE BOARD MEETING MINUTES

APPROVED

February 19, 2015

6:00 p.m.

Conference Room

Board Members:

Present: Tracy Wallace Mark Johnson Craig Whitehead Craig White  
Jay Meacham David Bunker Chris Condie Spencer Kyle  
David Norman\* Dale Ihrke Brian Braithwaite

Excused: Keith Blake Sean Fernandez

District Staff: Jon Adams, District Manager  
Shannon Hansen, Human Resource  
Danette Smith, Board Secretary  
David Barlow, District Engineer  
Joe Martin, CPA

Others: Ken Spiers, Bowen, Collins & Associates  
Craig Carlile, Attorney  
Bruce Riches, Western Bio Solids Treatment

**Call to Order:**

Tracy Wallace, Board Chairman, called the meeting to order. 6:03 p.m.

**Public Comment**

There was no public comment.

**Approval of Minutes**

**A. Approval of the January 15, 2015 Administrative Board Meeting Minutes**

**B. Approval of the January 29, 2015 Work Session Minutes**

Chris Condie made a motion to approve the minutes from the January 15, 2015 Administrative Board Meeting and the January 29, 2015 Work Session Minutes. Brian Braithwaite seconded the motion. Those voting "Aye" – Tracy Wallace, Mark Johnson, Spencer Kyle, Brian Braithwaite, Chris Condie, Jay Meacham, David Bunker, Craig White, Dale Ihrke, Craig Whitehead. The motion passed with a unanimous vote.

**Consent Calendar**

**A. Pay Request No. 3 Bud Mahas Construction/Laboratory Building**

Pay request #3 is for \$89,965.00.

David Bunker made a motion to approve the Consent Calendar. Jay Meacham seconded the motion. Those voting "Aye" – Tracy Wallace, Mark Johnson, Spencer Kyle, Brian Braithwaite, Chris Condie, Jay Meacham, David Bunker, Craig White, Dale Ihrke, Craig Whitehead. The motion passed with a unanimous vote.

1 **Finance**

2 **A. Financial Report**

3 \*David Norman arrived. 6:11 p.m.

4 Joe Martin said we are still in the process of closing out the last year, as far as doing all of the audit entries.  
5 The auditors will be here next month. Some of the things that hit this month are applicable to last year. Joe handed  
6 the report showing impact fees reported for this year. He also handed out a new report that shows the wastewater  
7 treatment 2014 rate increase of 13.8 %. The report shows an ongoing cumulative amount of what has been collected  
8 since that increase went into effect in October of 2014.

9 Brian asked about a check cut to Hawkins & Co. for proprietary parts. Jon said we generate our own sodium  
10 hypochlorite; the person who does that is a contractor representative of Severn Trent, who made the generator.  
11 Those are replacement cells for that unit. Brian asked about the check to Landia for Plant Expansion supplies. Jon  
12 said when the plant expansion was done, the units were changed over to bioreactors and plant mixers were put in.  
13 Landia is the manufacturer of those. There is a requirement to go through all those mixers, and replace certain parts.  
14 We have used the parts, and have to replace them. Those spare parts are part of the plant expansion. Some items are  
15 falling out of warranty and it will be our responsibility to purchase those. Some warranty items were not satisfied  
16 due to our situation with MMC; we need to continue, and we may get something back or we may not. Brian said he  
17 had not seen either of those vendors on the register in the past and he was curious, as those were big amounts. Jon  
18 said that unfortunately they would be there from now on, as it is part of the new system.

19  
20 **Action Items**

21 **A. Appointment of two Board Members to the Employee Grievance Committee**

22 Tracy said this committee is part of District By-Laws. The grievance committee is made up of two board  
23 members, an administrative staff member and two employees. The appointment would be for a 3-year period.  
24 Spencer asked if this committee is where employees go if they want to appeal a termination or is it only for  
25 grievances. Jon said this committee is to handle grievances by employees. The grievance would first go the  
26 immediate supervisor, then to the District Manager, and then to the committee. If it were a termination or appeals  
27 then it would go to the Board. The Board is set up as the Appeals Board in the By-Laws.

28 Jon said there has never been a grievance, so this committee was overlooked. Two Board members are to be  
29 appointed in a public meeting, two members are to be elected by the employees, and management appoints one  
30 member. Jon said neither he nor Shannon could be on the committee, because she is H.R., and he is Plant Manager.  
31 Spencer said the laws changed a few years ago for the cities, he was not sure if it applied to special service districts.  
32 They law said to appoint one person to an appeals process; Saratoga Springs contracted with an attorney who hears  
33 all appeals. They found that to be a less subjective process as they only look at the facts. That is for appeals only, not  
34 grievances. Tracy said many cities have done this. Jon said we could go that way; the By-Laws were approved to do  
35 it this way, and it would need to go back through that again, but that was a lengthy process.

36 Tracy said there would need to be two board members nominated. David Bunker asked if any Board  
37 members would like to volunteer. Chris Condie said he would be willing to be on the committee. Spencer Kyle  
38 volunteered to be on the committee.

39 **David Bunker made a motion to nominate Chris Condie and Spencer Kyle as Board Representatives**  
40 **on the Employee Grievance Committee. Mark Johnson seconded the motion. Those voting "Aye" – Tracy**  
41 **Wallace, Mark Johnson, David Norman, Spencer Kyle, Brian Braithwaite, Chris Condie, Jay Meacham,**  
42 **David Bunker, Craig White, Dale Ihrke, Craig Whitehead. The motion passed with a unanimous vote.**

43  
44 Chris asked Jon if he would notify members if there were a grievance and when they had to convene. Jon  
45 said yes. It would go to the immediate supervisor, then the manager, then he committee would get information,  
46 submitted by employee and a committee meeting would be scheduled with the employee. Jay Meacham asked who  
47 chairs the grievance committee. Jon said that right now there is not a chair; it is a committee with a majority  
48 decision.

1 **Communication**

2 **A. Manager's Report**

3 Jon said he is very pleased with Bud Mahas Construction. They have been really good to work with. The  
4 Board approved pay request #3 tonight. The audit is scheduled to begin in March. The letter of engagement has  
5 been signed and returned to Squire & Co. They hope to be finished and report at the April Board Meeting.

6 The plant was in compliance for January 2015. The peak daily average effluent flow was 17.25 MGD with a  
7 peak monthly average effluent flow of 19.40 MGD. Jon said letters came out this month from the DWQ, with the  
8 proposed limits of 1.0 for phosphorous and 10 mg/L for total nitrogen, with implementation dates of 2018 and 2020.  
9 Jon said the problem we have is if they perform, a TMDL Study (Total Mass Daily Loading), where they will say  
10 how much can be put into the lake, based on the study. That is the reason we wanted to get into the research group.  
11 Any findings from the TMDL will trump those proposed limits. If the State sees the need, they can go down to .1  
12 mg/L on phosphorus and lower than 10 mg/L on nitrogen. This facility could not meet the limit of .1 mg/L on  
13 phosphorus. The plant was designed to do 1 mg/L biologically. There is not a facility out there that could do .1  
14 mg/L. Nitrogen would be close. The problem is when you concentrate on the nitrogen, the phosphorus could come  
15 up a little and if you concentrate on the phosphorus, the nitrogen could come up.

16 Jon said since the work session, where we discussed the research group, he has contacted the group and they  
17 have agreed to accept us. They will be sending a copy of their agreement, amended to include us. Orem has  
18 expressed some interest in joining the group. Brian asked if this information coming out from the state, gives those  
19 cities encouragement to get involved, as it might affect them. Jon said yes that is one reason they heard from Orem.  
20 We have not heard from Provo, and the smaller groups have been offered an opportunity to join as one group. Jon  
21 said immediately, there are areas that need to be done; the area where we discharge, as the largest discharger, needs  
22 to be done first. We have to be careful that our research dollars go where we get the best data. Brian thanked Jon for  
23 getting the District back in the group; in his opinion, it is valuable for us. Jon said it would be money well spent to  
24 have the research. If we can get this established, we will be able to address the issues and have some data to help  
25 make sure any changes to the limits would be necessary. Brian said we should have data before these become  
26 requirements. Jon said yes, the good thing about the 2018 and 2020 dates is that it gives us some time.

27 Jon said the pretreatment staff came and gave a presentation on revised local limits a few months ago. Our  
28 revised local limits were out for comment and no comments were received. We received a letter from Walt Baker,  
29 the director of the DWQ approving the revisions to our local limits. Jon said our local limits would be revised again  
30 if the limits were changed due to the proposed limits for phosphorus and nitrogen.

31 Dale Ihrke asked if we have started any engineering analysis of what it would take to meet these limits with  
32 our current facility. Have we done any more in-depth or is it time to start doing that now. Jon said while the upgrade  
33 was being designed, the state received some grant money and they hired CH2M Hill Engineering. They conducted a  
34 study of what it would cost us to meet those new standards, with the new facility. Jon said there could be some  
35 follow work done to that. We have also had people from the University of Utah contact us to see if they can come  
36 here to do some studies. Bowen and Collins worked with CH2M Hill and the state, as far as our upgrade went. The  
37 talk then was the 10 mg/L on nitrogen and 1.0 mg/L on phosphorus; that is what we focused on. Ken Spiers said the  
38 plant could meet phosphorus now with proper tweaking of the process and may possibly be able to meet the 10 of  
39 nitrogen. It would be hard to get both of those going at the same time, because they both use up carbon in the  
40 system. There may be a need to add carbon to the process.

41 Jon said since the work session, we have been getting some help on the website. We received a favorable  
42 quote and watched a demonstration to get us going. David Barlow is leading that effort. Jon said the checks would  
43 be going out so the board can purchase their electronic device. Mark asked about the TSSD emails, he said there  
44 should be an option to run the emails through the new website, once it is up and running. Jon said he thought we  
45 would be setting up a drop box and board members would pick up information from there. Spencer said he thought  
46 Mark was suggesting in addition to the drop box, setting up TSSD emails for Board Members. Jon said a third party  
47 manages TSSD emails and there is a cost associated with that. Mark said if you do it with the website, sometimes

1 there is not that extra cost. If we set up a domain, an email could be attached to that. There may be a limit to the  
2 amount of data, but there is usually no cost associated. Jon said David Barlow could look into that.

3  
4 **B. Laboratory Building Construction Progress Report No. 2**

5 The substantial completion date is in May with a final completion date in June. The project is about 45%  
6 complete based on actual work performed. Jon said our laboratory director will be retiring this year and we will be  
7 hiring a new laboratory director.

8  
9 **C. Finance Committee Report – Craig White**

10 Craig White said the Finance Committee has not met since the last board meeting. At the last meeting, we  
11 talked about having a formal resolution come before the board to adopt a cash flow policy. Craig White said our legal  
12 counsel has an opinion that he would like to share with the Board. Craig Carlile said it is not a legal opinion; it is a  
13 practical thought from his standpoint. Craig Carlile said from his perspective, the District already has a policy on  
14 cash flow in their budget. Craig Carlile thinks having a separate resolution, would probably lead to more mischief  
15 than good. If there is a problem where limits come in lower than expected and you need to come up with some more  
16 money, you may forget about the resolution. Craig Carlile thinks if there is a policy issue, when it comes to money,  
17 there is discussion in depth every time there is a new budget. Craig Carlile said he believes the board should rely on  
18 that budget and make adjustments as needed rather than have another document that people can point to in  
19 contradiction to what you actually adopt each year.

20 Spencer said that makes sense, though he does not think there has ever been a discussion about that when it  
21 has come to the budget. Maybe what we need to do is discuss cash on hand; what is the appropriate amount, how it  
22 affects rates, and make that decision at budget time each year. David Bunker said that discussion might need to  
23 happen six months prior to budget, so cities have time to get that into their financial packages as well. Spencer said  
24 if we are discussing a budget to adopt in December, usually we take into consideration rate changes in July. Spencer  
25 said he would still like to have that discussion, but it does not necessarily need to be a resolution. Maybe we could  
26 have the discussion now, preceding going into next year's budget. Jon said an email went out with proposed cash on  
27 hand numbers, comments were received and those numbers were reduced for discussion purposes. That is where it  
28 sits right now. Jon said he would like to have the finance committee meet again. Jon said there ought to be a formal  
29 time frame on when we should look at items.

30 Craig White said the Finance Committee is ready to have the discussion of cash on hand and formalize it at  
31 any time. The Finance Committee has been through it two or three times, and it has been talked about twice at board  
32 meeting. Tracy said we should put it together and put the information in the packet for next month.

33 Mark said as the committee meetings are held, everyone should have the potential issues list on their  
34 computers. It ought to be a living document so as committee meetings are held, issues should be updated on the list  
35 as they are worked on. Mark said Danette could be responsible for updating the issues list. Tracy encouraged Board  
36 Members, as they go through this list, to let Mark know of anything that comes up. Tracy said this is Mark's list; he  
37 is the owner of the list, and keeping one person in charge of the list will help keep it updated.

38 Jay asked how we would progress to the electronic meeting. Tracy said he was hopeful that by the next  
39 meeting board members would have their electronic devices. Tracy said there would probably be a three to four  
40 month learning curve to as we go through this. We will probably also have a hard packet at the next meeting and the  
41 documents will be placed in a dropbox. The instructions on how to get into the dropbox will be emailed out to  
42 everyone. Danette will send out an email letting board members know once the information has been put in the  
43 dropbox. Brian said he thought we talked about including a link to the website and to start posting there, so there is  
44 the option of going to the dropbox or to the website and pulling the information from there. There was discussion on  
45 whether the draft minutes should be posted on the website or wait until they are approved before posting. Mark  
46 suggested the minutes be part of a separate packet and not put the minutes on the website until they are approved.  
47 Spencer said the nice thing about dropbox is part of the packet can be put in while waiting for other documents to be  
48 ready. You can also change a document out if an update comes in. With the website, you do not really have that

1 option. Spencer said he does not have a problem posting it on the website; we may just want to wait to post it once  
2 the packet it is final. Tracy said over the next three or four months, we will make changes and figure out the best way  
3 to approach this. If the board members do have suggestions they can email Tracy or Danette.

4 **David Bunker made a motion to go into closed session for litigation, property acquisition, or personnel.**  
5 **Chris Condie seconded the motion. Those voting “Aye” – Tracy Wallace, Mark Johnson, David Norman,**  
6 **Spencer Kyle, Brian Braithwaite, Chris Condie, Jay Meacham, David Bunker, Craig White, Dale Ihrke, Craig**  
7 **Whitehead. The motion passed with a unanimous vote. 6:58 p.m.**

8  
9 **Closed Session**

10 \* Jay Meacham left. 7:05 p.m.

11 \* Craig Whitehead left. 7:05 p.m.

12 \* David Norman left. 7:33 p.m.

13 \* Mark Johnson left. 7:50 p.m.

14 **David Bunker made a motion to go out of closed session and back into regular session. Spencer Kyle**  
15 **seconded the motion. Those voting “Aye” – Tracy Wallace, Spencer Kyle, Brian Braithwaite, Chris Condie,**  
16 **David Bunker, Craig White, Dale Ihrke. The motion passed with a unanimous vote. 8:15 p.m.**

17  
18 **Adjourn:**

19 **Brian Braithwaite made a motion to adjourn. Chris Condie seconded the motion. All present “Aye”.**  
20 **Meeting adjourned 8:16 p.m.**

21