

TIMPANOGOS SPECIAL SERVICE DISTRICT  
ADMINISTRATIVE BOARD ELECTRONIC MEETING MINUTES

July 16, 2020 6:00 p.m. Conference Room (Electronic)

**Board Members**

**Electronic:** David Bunker Chandler Goodwin Brian Braithwaite  
Mark Christensen Sullivan Love \*Katie Koivisto  
\*Craig White Dale Ihrke John Goodman  
Mack Straw

**Excused:** Richard Nielson Jay Meacham Blaine Thomas

**District Staff:** Richard Mickelsen, District Manager Shannon Hansen, Administrative Manager  
David Barlow, District Engineer Danette Smith, Board Secretary  
Joe Martin, CPA LeAnn Bailey, Accounts Receivable/Payable  
Alan Robinson, Treatment Manager Brad Christensen, Electrical Foreman  
Sam Grimes, Operations Manager Brian Selck, Lab Director  
Scott Rackman, Collections Supervisor Flinn Hutchinson, Electrician  
Mike Wall, Collections Jared Barnett, Collections  
Brian Short, Collections Luke Watkins, Collections  
Chris Ewell, Collections Mike Howlett, Operations  
Beau Chadwick, Maintenance Lee Miller, Solids Handling Supervisor

**Others:** Craig Carlile, Ray Quinney & Nebeker Brandon Wyatt, Bowen Collins & Assoc.  
Ryan Bench, Carollo Engineers Keith Larsen, Bowen Collins & Assoc.

**Call to Order**

David Bunker, Board Chair, called the meeting to order. 6:04 p.m.

**Public Comment**

Alan Robinson said he has been employed by the District for 35 years. Alan commented on the potential loss of the personal leave buyback. Alan said this was started back in the late 1980s. It was sick leave at that time and was started because employees that showed up to work and managed their time had reached the full amount that could be on the books. Alan said work here at the District does not stop. The daily contributors do not care, nor does DWQ if we have full staff; the work still needs to happen. The Board has given our new manager, Rich Mickelsen, a list of goals and projects to get done. A lot of those have been turned over to staff to get completed so they have buyoff, ownership and understanding of the internal workings. Some of those projects are: CMMS update, belt press installation, dewatering building upgrade, bioreactor upgrade, aeration basin upgrade, blower installation, updated SOPs, weekly lift station maintenance, requiring confined space entry with a minimum of four people, the wetlands study for phosphorus (coinciding with the wetland cleaning to try and mitigate the phragmite), the Huber pilot, the aerobic digester improvements (which we have seen a huge benefit in our phosphorus removal), odor control and level II manhole inspections. These are all happening along with the daily events and upsets while trying to minimize overtime and comp time. Keeping that to a minimum has always been important. With all these projects going on in the middle of a pandemic we do not need employees incentivized to stay home because they are in a use it or lose it situation. Alan said that is more words than he has spoken to the board in 35 years.

1 LeAnn Bailey thanked Alan for speaking for the employees. LeAnn said we do not want to lose our time that we  
2 have earned, and we want to make sure we have our plant covered for the necessities that are needed. If it is use it or  
3 lose it, some days may not be covered and that is not a great option.

4 Chris Ewell said he agreed with Alan. Chris said the benefits were the biggest reason he changed occupations and  
5 came to the work for the District.

6 Shannon Hansen said the original policy allowed an employee to sell back 96 hours of sick leave after they had 600  
7 hours on the books. There was an issue with the auditors of large unfunded liabilities, so personal leave was born. It  
8 was basically a terminology change. Personal leave allowed up to 96 hours to be sold and a maximum of 96 hours to  
9 be carried over. The intent was to get rid of the large unfunded liabilities. The buyback is a reward or incentive to  
10 those employees that manage their time. It is also a way for those employees that must be here to not lose their time.  
11 We have had a lot of work going on and need the employees here to complete this work. Shannon said allowing the  
12 employees to keep this benefit is good for the morale.

13 Brad Christensen said he was hired in December of 1998. At that time, this was used as a recruiting tool in hiring.  
14 Losing it would not be fair to those employees. Brad said he appreciates the fact that we have kept the benefits we  
15 have, as a lot of others are losing them. He appreciated what Shannon and Alan have said and does not want to lose  
16 these benefits.

17 \*6:15 p.m. After experiencing trouble joining the electronic meeting, Katie Koivisto and Craig White joined the  
18 meeting.

19 Katie asked what she had missed prior to joining. David Bunker said we were in public comment period and there  
20 had been 5 TSSD staff members comment regarding the sick leave/personal buyback issue.

21 Flinn Hutchinson expressed his gratitude to the Board for keeping the benefits we have and believes all TSSD  
22 employees appreciate the benefits, from the buyback to the healthcare, and would like to see them maintained.

23 Brian Selck said we are thankful for the benefits are hoping the buyback can remain.

24 David Bunker thanked everyone for their comments.

## 25 26 **Approval of Minutes**

### 27 **1. Approval of the June 18, 2020 Administrative Board Meeting Minutes**

28  
29 **Brian Braithwaite made a motion to approve the minutes of the June 18, 2020 Administrative Board**  
30 **Meeting. Katie Koivisto seconded the motion. Those voting “Aye” – David Bunker, Dale Ihrke, Mark**  
31 **Christensen, Mack Straw, Brian Braithwaite, Craig White, John Goodman, Katie Koivisto, Sullivan Love and**  
32 **Chandler Goodwin. The motion passed unanimously.**

## 33 34 **Consent Calendar**

- 35 **1. Corrio Final Payment – Dewatering Building**
- 36 **2. ICTech – RTU Replacements**
- 37 **3. Carollo – EL-1 Power Quality (Switchgear/Generator)**

38  
39 **Mark Christensen made a motion to approve items 1-3 on the Consent Calendar. Dale Ihrke seconded the**  
40 **motion. Those voting “Aye” – David Bunker, Dale Ihrke, Mark Christensen, Mack Straw, Brian Braithwaite,**  
41 **Craig White, John Goodman, Katie Koivisto, Sullivan Love and Chandler Goodwin. The motion passed**  
42 **unanimously.**

## 43 44 **Finance**

### 45 **1. Financial Report**

46 Joe Martin presented the May 2020 financials. Joe said the comparisons from May 2019 to May 2020 show our  
47 wastewater revenues are up a little bit from last year. We were 41% through the year in May. Our expenses are  
48 generally under what we have budgeted. Joe presented the impact fee reports. Joe said all fees owed for May have  
49 been received. The impact fee revenue, as of the end of May, was \$1.8 million which is almost identical to the same  
50 time last year. The ERUs are about on target for where it was last year, which tells us the permits for construction are

1 about equal to last year. Joe said the District is in good financial shape. David Bunker said he appreciates these  
2 reports and the graphs help get a picture of what the numbers are showing us. David thanked board members for  
3 reminding their cities to get impact fees remitted to the District on time.

## 4 5 **Action Items**

### 6 **1. Zions IFA Report**

7 Rich said they have spent a significant amount of time preparing the IFFP with Keith Larsen, Bowen and Collins.  
8 That information was given to Susan Becker with Zions and she has prepared this draft IFA. The draft report was  
9 presented last month. Jodi Hoffman, Hoffman Law had comments on changes to the Covid-19 growth projections.  
10 Those changes have been incorporated into this IFA report. Rich said they took into account the \$15 million that was  
11 paid by the users into the 2017 crossover bond to pay off the 2010 B Bond. Also, we wanted to make sure the \$32.75  
12 million paid back in the lawsuit was incorporated and will be collected due to the excess capacity listed in the IFFP  
13 report. Rich said this had been gone through with all the consultants and they have taken into account all the aspects  
14 of concerns. Rich believes this IFA report meets all the requirements and we are prepared to move onto the next phase  
15 to schedule a meeting with the development community and have their input.

16 Mark Christensen said as a high growth community, his city is constantly amending their impact fees. Mark said as  
17 new projects are added and we get actual costs of some of those, this may be adjusted, and we should update them on a  
18 regular basis going forward. Brian Braithwaite asked Joe if we had clarity on the prepaid costs we've been keeping  
19 track of, and if all of those costs have been covered in this IFA. Joe said yes, he has been in several meetings with  
20 Keith and the attorneys and believes we have captured all of those. Joe said we need to continue tracking those going  
21 forward. Brian agreed with Mark that we need to stay on top of these and adjust the fees based upon the needs.  
22 Reviewing on a yearly basis or maximum every two years we can capture the right amounts in this.

23 Katie asked if a surplus of impact fees can be given back to the developers or with a deficit can you ask developers  
24 for the difference. Is this just a mathematics game where we have to figure out the "sweet spot"? Mark said typically  
25 when someone pays their impact fee, they are vested at that impact fee, so we are looking for that sweet spot. We have  
26 to go with the best data we have available. Sullivan said you have six years to spend those impact fees. Brian said the  
27 swing is not going to be huge as long as we are doing this every couple of years. David Bunker said the maximum  
28 impact recommended in the report is \$1,777.00 and the current impact fee we are charging is \$1,708.00.

29  
30 **Sullivan Love made a motion to accept the Zions IFA Report and to move into the next phase of discussions**  
31 **with the development community. Katie Koivisto seconded the motion. David Bunker, Dale Ihrke, Mark**  
32 **Christensen, Mack Straw, Brian Braithwaite, Craig White, John Goodman, Katie Koivisto, Sullivan Love and**  
33 **Chandler Goodwin. The motion passed unanimously.**

### 34 35 **2. Employee Benefit**

36 Rich said the sick leave was part of the employee handbook dated February 9, 2006, which the board just recently  
37 updated. The personal leave program was effective January 1, 2008 ending the sick leave accumulation. There are no  
38 board meeting minutes confirming this change. The updated May 21, 2020 employee handbook did not include the  
39 provision of up to 96 hours paid out or the past sick leave commitments. These benefits have been enjoyed by the  
40 TSSD employees since 2008. Rich said the employees have asked him to raise this with the board as they would like  
41 to have this reinstated.

42 Dale asked if Rich if he were recommending the employees be able to cash in up to 96 hours at the end of the year  
43 and roll over up to 96 hours. Rich said yes, that is the recommendation. He enjoyed that benefit last year with all the  
44 projects we had going. Rich said he is representing the employees and whatever the board decides then he will be  
45 executing that decision. Mark clarified that there were no board meeting minutes that ratified that change. Rich said  
46 correct. Rich said Craig Carlile would have to clarify, but we probably have to go the original document that shows  
47 the sick leave. David Bunker said he was confused on PTO, Sick Leave and Vacation. To him it should just be a flat  
48 PTO to be used for vacation, sick or other. Rich said because of the liability of the 600 hours of sick leave on books  
49 they replaced the sick leave time with personal leave time. There are still some employees who are carrying sick leave  
50 time and when they retire it is the obligation of the District to pay out their sick leave time. Mark asked why are we

1 paying out sick leave when an employee leaves the organization? He has never been a part of an organization that has  
2 ever paid out sick leave. Rich said that has been on the books for this District since the early 1980s.

3 Brian said as he understands, it was a policy in place to have sick leave which allowed accrual and was paid out  
4 when they left the District. That was stopped and replaced by PTO so no one could accrue any additional sick hours.  
5 There is a liability that sits out there because policy allowed it to be paid off. That liability only holds for the  
6 employees that had sick leave up to the day the program was stopped. We still have to pay because that was the policy  
7 for everyone who had sick leave up to that point. It is paid out at the rate they are making when they retire. Brian said  
8 like Mark, he does not know any organization that does this.

9 Joe said it is not unheard of to pay out a portion of sick time. In the past it was like a retirement benefit, and there  
10 was an incentive to not use up all your sick time. Joe clarified PTO; the District has vacation pay, but there are strict  
11 policies on how they use that time. Because of the limited staff and the type of operation, vacation is scheduled out to  
12 manage staffing needs. Currently there are two types of leave, vacation and personal time. The sick time that is on  
13 the books is long-term employees under the old policy. Those hours are still being carried forward as a liability and  
14 would be paid out at some point. Mark asked if there is a calculation of the approximate value of those outstanding  
15 hours. We are growing 3%-5% per year it makes no sense to continue to carry it at that rate. Chandler said we ought  
16 to look at paying it out and clearing it off the books.

17 Chandler thanked the District employees for coming to board meeting. Chandler does not think there should be a  
18 policy that is wildly out of line with the policies of the entities of the District. Katie said these are benefits the  
19 employees have and benefits they were expecting and anticipating when they applied for the position. She does not  
20 want it to be a bait and switch, but it would be beneficial to compare and see what the other entities are doing. Joe said  
21 he does not receive benefits from the District as a part-time employee, but the moral problem is this is happening mid-  
22 year when it was already budgeted for. If it goes away now employees will need to use their time or else lose it. Joe  
23 said Alan made a great point about how much pressure is on the employees to keep things running. So, this kind of  
24 feels like a bait and switch happening mid-year when employees could have been planning more time off earlier in the  
25 year. Mark Christensen said the Administrative Committee did talk about a transition period. We are trying to correct  
26 a problem we see that is an inequity between this District and all the member entities. Mark is happy to try and come  
27 to a good solution, but this is not retaliatory against the employee.

28 Katie said she feels it is a bait and switch at times, and she would like to do more research into it. Sullivan said he  
29 worked at Orem City for 27 years and they had a similar policy in place up in the past. You could accumulate and bank  
30 sick hours; it would be held and paid out for. That policy did change, and new employees were not part of that.  
31 Sullivan said there are some member entities that have every bit as good of benefits as the District and maybe even  
32 better. Brian said let's make sure we are talking apples to apples; it is not uncommon for an organization to provide  
33 sick leave, but they do not pay it out when they leave. You can bank it, but it is not payable until it is used. There is a  
34 difference between that and banking it and then when you leave, it is part of a retirement. That is extremely uncommon  
35 today.

36 Chandler said he would like to look at the member organizations benefits. To expect that your benefits are not  
37 going to change over the course of years of employment, it not right, benefits change, that is part of working with any  
38 organization. Chandler understands the incentive that we want people to be at work, so we do not want them to use all  
39 their sick hours, but there are probably some other methods. He thinks it need to be reviewed. Brian said he wants to  
40 make sure everyone is on the same page in understanding the issue here. We can find a solution, it is a benefit, and we  
41 can pay out benefits through a salary or through another form. Brian said he prefers having a compensation package  
42 that leans toward what other organizations do.

43 David Bunker said there has been really good discussion; this is going to take a little work to review. It would be  
44 appropriate to postpone this and not take action tonight. Chandler said it would be very beneficial for each entity to  
45 provide their paid time off policy for comparison. The Administrative Committee could review those and come back  
46 to the board with a recommendation. Sullivan suggested to also review other special service district's benefit  
47 packages. Chandler said he is not opposed to that, if we can get them. It needs to be apples to apples so it should be  
48 local. Mack Straw said cities that are not treating wastewater are not apples to apples; it needs to be looked at more a  
49 district to district. If we are going to remove this, there needs to be a compensation in place.

50

1 **Chandler Goodwin made a motion to continue this item and direct the Administrative Committee to review**  
2 **entity compensation packages as well as similar special service districts and come back to the board with a**  
3 **recommendation. Katie Koivisto seconded the motion. David Bunker, Dale Ihrke, Mark Christensen, Mack**  
4 **Straw, Brian Braithwaite, Craig White, John Goodman, Katie Koivisto, Sullivan Love and Chandler Goodwin.**  
5 **The motion passed unanimously.**

6  
7 **Communication**

8 **1. Managers' Report**

9 Rich Mickelsen said usually this time of year we start to see the phosphorus increase. Our project with the digester  
10 research we did in house has been successful for the past six weeks. We have been able to keep the effluent  
11 phosphorus under 1m/L. The employees have done a fantastic job doing upgrades to make that happen. The plant is  
12 running well on that end.

13 Rich said the EPA set a requirement that all dentists had to have amalgam separators in and submit a report by July  
14 14<sup>th</sup>. We have quite a few dentists in our District and about half of them have complied. Our pretreatment coordinator  
15 and inspector will be out hand delivering letters to let the dentists know if they are in compliance. Rich wanted the  
16 board members to have that information to communicate with their cities. They are already in violation as of July 14<sup>th</sup>  
17 and this should not be news to them. David Land, Pretreatment Coordinator is working with them, but they need to  
18 give us a letter and we need to be moving forward. Brian asked what the penalty was. Rich said he didn't know he  
19 would have to get that from David Land. Rich said board members should let their city council members know so  
20 they understand this is Federal requirement that has been pushed on us. We are trying to come from a friendly  
21 approach. This has been in the works for three years and the deadline has now come. Rich said he would have David  
22 Land send each individual city a list of those dentists and who is in compliance and not.

23  
24 **Closed Meeting**

25 **There was no closed meeting.**

26  
27 **Adjourn: Sullivan Love made a motion to adjourn. Dale Ihrke seconded the motion. All present "Aye".**  
28 **Meeting adjourned 7:09 p.m.**