

TIMPANOGOS SPECIAL SERVICE DISTRICT
ADMINISTRATIVE BOARD MEETING MINUTES

APPROVED

March 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 Keith Blake
 Brian Braithwaite *Spencer Kyle

Excused: David Norman Dale Ihrke Sean Fernandez

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

Others: Ken Spiers, Bowen, Collins & Associates
 Brandon Wyatt, Bowen, Collins & Associates
 John Mackay, Ray Quinney & Nebeker
 Bruce Riches, Western Bio Solids Treatment

Call to Order:

Tracy Wallace, Board Chairman, called the meeting to order. 6:02 p.m. Tracy said that this month we are going electronic; most board members have electronic board packets.

Public Comment

There was no public comment.

Approval of Minutes

A. Approval of the February 19, 2015 Administrative Board Meeting Minutes

Spencer Kyle made a motion to approve the minutes from the February 19, 2015 Administrative Board Meeting. Brian Braithwaite seconded the motion. Those voting "Aye" – Tracy Wallace, Mark Johnson, Spencer Kyle, Brian Braithwaite, Chris Condie, Jay Meacham, Keith Blake, David Bunker, Craig White, and Craig Whitehead. The motion passed with a unanimous vote.

Consent Calendar

A. Pay Request No. 4 Bud Mahas Construction/Laboratory Building

B. Change Order No. 1 Bud Mahas Construction/Laboratory Building

Pay request #4 is for \$90,915.00. Jon said Bowen & Collins and District staff, has reviewed the pay request. There is a breakdown of the change order; it is an increase of \$4,892.00. David Bunker said this change order did not change the time of completion dates. Jon confirmed there was no change in time.

1 **Craig White made a motion to approve the Consent Calendar as presented. David Bunker seconded**
2 **the motion. Those voting “Aye” – Tracy Wallace, Mark Johnson, Spencer Kyle, Brian Braithwaite, Chris**
3 **Condie, Jay Meacham, Keith Blake, David Bunker, Craig White, and Craig Whitehead. The motion passed**
4 **with a unanimous vote.**

5
6 **Finance**

7 **A. Financial Report**

8 Joe Martin presented the February financials. Joe said we are in the middle of the audit. The auditors are
9 waiting to hear back from some of the cities on the Impact Fee confirmations. These were requested three weeks ago.

10
11 **Action Items**

12 **A. Purchase of Tractor and Offset Mower**

13 Jon said bids were solicited twice due to the variability of bids received. Bids were received from three
14 vendors. All vendors submitted a quote for a 75 HP tractor with a loader bucket and a quote for the same
15 make/model 6 foot offset mower. Jon said this equipment would be used for grounds maintenance and the tractor
16 would be equipped with a front-end loader bucket that could be used as backup for loading compost. Jon said Alan
17 Robinson had researched tractors and handled the process. Brian Braithwaite asked how much they would be used
18 and if it is to the point that we would not rent that equipment. Jon said usually the rentals are not a good deal.
19 Sometimes we can get these on a lease, but right now, there is nothing out there for tractors. We will use the tractor
20 and loader regularly; the rental rate is pricey; you could about pay for that tractor in six months. David Bunker said it
21 takes time and manpower to pick up a rental unit, bring it back, use it, and take it back. It is problematic to rent
22 them, even if they are not used all the time. Jon recommended we go with the lowest responsive bidder, Mason
23 Machinery, with a quote of \$58,800.00.

24
25 **Mark Johnson made a motion to approve the Purchase of a New Holland 75 HP Tractor and Mower**
26 **from Mason Machinery for an amount not to exceed \$58,800.00. Chris Condie seconded the motion. Those**
27 **voting “Aye” – Tracy Wallace, Mark Johnson, Spencer Kyle, Brian Braithwaite, Chris Condie, Jay Meacham,**
28 **Keith Blake, David Bunker, Craig White, and Craig Whitehead. The motion passed with a unanimous vote.**

29
30
31 **B. Award of Bid for Alpine/Highland Segment III Sewer Line Project**

32 Jon said this line needs to be replaced as there is development going in, and there is a tight window. We
33 opened the bids recently and they have been reviewed. Jon said getting everything we have needed and the final
34 approvals have been a slow process. It has been a coordination effort, with American Fork City, Intermountain
35 Farmers Association, Build to Suit and Woodbury.

36 Brandon Wyatt said the District has their existing Alpine/Highland outfall line. That line comes down 900
37 West, across 700 North, through the North Park Subdivision, across State Street, down Meadow Lane, across I-15
38 and onward. This segment of line has been identified for a while in the Capital Facilities Plan (CFP). It has about 4
39 mgd capacity, and we are seeing those flows now. CFP projects that it will see 12 mgd as we move into build out
40 conditions. Brandon said as they looked at how to solve the flow problems with this line, it became apparent that
41 replacing the line in place was going to be very difficult or impossible. The 700 North roadway is a very narrow
42 corridor with many utilities, including a new 12” high-pressure gas line, which has been installed within 5’ of the
43 sewer line. The line is running somewhat contrary to the topography, and this line is 23-24 ft. deep. Brandon said
44 there was some consideration for the fact that this went through a residential area. We looked to other alternatives,
45 when reviewing where to put this line. It turns out that the piece of land that has been held by Carsons (Carson’s
46 Meat) for some time is currently being developed by IFA. That gave us a window of opportunity to adjust the
47 alignment of the new line, reduce the impact on the neighborhood and save a little money.

1 Brandon said the new line is laid out to come into the old line at 700 North and 900 West, down and across
2 the IFA parcel, through a corner of 800 West, and through American Fork City land that is set aside for a park. A
3 new State Street crossing would tie into the existing line at Meadow Lane. Brandon said they would also take
4 advantage of this project to finish the last bit of improvements down by Best Buy. There have been many
5 negotiations with property owners, trying to find the space to build this line. Build to Suit is under construction now
6 and our window to install the line before they have curb and gutter and landscaping is short. IFA is also in the
7 process of doing their improvements. They have both been good to cooperate with us. American Fork City has
8 provided a license agreement for the District to cross the portion of their park as well as to use it as a staging area.
9 Brandon said we would like to get the contractor moving on getting his bonds and insurance, in order to do that we
10 need a notice of award.

11 Keith Blake asked about the high water table where the American Fork City land is. Brandon said the water
12 table is a significant concern on this project throughout the whole length. There was geotechnical report done
13 specifically for this project, to identify the ground water table and the contractor has been given plenty of notice.
14 Brandon said the contractor is Whitaker Construction, one of the better contractors out there, which is a definite
15 benefit for us. Chris Condie asked what size pipe we are connecting to at the beginning and the end. Brandon said
16 the existing pipe is a 24" pipe and changes to a 30" down on Meadow Lane. The new pipe is a 24" and goes to a 30"
17 before American Fork City property. This seems counterintuitive, but this route provides significantly more slope.
18 The existing 24" line only has a .1% slope and the new line route has a minimum of 1.0% slope. For sewer the
19 capacity is determined by pipe size and slope. In this case, we are able to get most of the capacity just from increased
20 slope. Brandon said once it gets down to where it flattens out the line is increased to 30". Brian asked if the other
21 line would be abandoned. Brandon said we could not abandon it; it was in before the subdivision was there in 1996
22 and they used the line to connect all the homes. That has been one of the complexities of this project. This line will
23 stay in and stay in service. The way the new line is designed, we can send some maintenance flows down the existing
24 line to help keep that line clean.

25 Brandon said there are several bid schedules with this project and some reimbursement arrangements are
26 being made. With a project of this magnitude, you would only want to come in and disturb a neighborhood once. As
27 part of their subdivision improvements, IFA will improve 800 West to a 35 ft. road. We have arranged with them to
28 include their road improvements in the District project with a reimbursement agreement. We also have some work
29 that we have worked out with American Fork and Woodbury. There is existing pressurized irrigation on the North
30 side of State Street in the subdivision and a pressurized irrigation stub by the bridge on Mitchell Hollow Crossing.
31 The city needs to get those two lines connected and Woodbury has a development agreement with the city to share in
32 the cost of doing that. The big obstacles in making the connection are the Wetlands Crossing and the State Road
33 Railroad crossing. Because we are crossing both, it opened the door for the city to piggyback with us. There are
34 three bid schedules dealing with the pressurized irrigation. Woodbury will reimburse the District for one and
35 American Fork City will reimburse the District for the other.

36 Chris asked what the timing is on this project. Brandon said his guess on breaking ground would be mid-
37 April. There are tentative agreements, and we will be done with them on May 15, 2015 and will need to be done
38 with IFA on May 30, 2015. That is in the contract with the contractor. There is an endangered species called the June
39 Sucker, because of that, we cannot connect the stub on the Mitchell Hollow Crossing until August 1, 2015. There is
40 enough work to do keep the contractor busy.

41 ***Spencer Kyle left. 6:45 p.m.**

42 Brian Braithwaite asked if there was a reason why Whitaker Construction was the only contractor to submit a
43 bid on this project. Brandon said his impression is that there is a lot of work out there right now. Brandon said he
44 talked to all the bidders, who were present at the mandatory pre bid meeting, and spoke with them before the bid;
45 they either could not meet the timing, or had too many projects. Brandon said Whitaker is a great contractor and they
46 gave us a price that was under our estimate for the job. Brian asked if that estimate is partly because we are
47 piggybacking with some of these other organizations. Brandon said no, they were \$200,000 under what the
48 District's portion was.

1 David Bunker said in the award it gives a cost and says “subject to the actual quantity installed and the unit
2 price of each bid item”. David asked Brandon if he anticipated the quantities would go up for any reason. Brandon
3 said he did not anticipate that. The way a unit bid price works, they estimate the quantity in the project and actually
4 go out and measure it, and Brandon said he tries to be conservative in his quantity estimates. Because of the tight
5 corridors, the numerous utilities, and working in existing right-of- ways, Brandon will not be surprised if there are
6 change orders on this project. It should be a good project, but it will be a difficult one. Brandon said American Fork
7 City has given us a letter of intent that says, “We are in”. We are just waiting for the final agreement paperwork to
8 finalize that agreement. Brian asked if we are looking at all the schedules A-E being part of this award. Brandon
9 said yes.

10 Jon said Whitaker Construction did a good job for us last time we did a project with them. They had to go
11 through an Agricultural protection zone, and there were no complaints. Jon said when there is just one bid there is a
12 little concern, but where it came in under the estimate and we have had a good experience with Whitaker on a prior
13 project, he feels comfortable with them. The total cost to the District, once the reimbursements are made, will be
14 \$1,776,445.00. As part of this project, we have some easements to purchase. David Bunker asked if it is possible to
15 stay out of existing right-of-way on 900 West and come over on 500 North. Brandon said that was the first choice,
16 but 900 West is a brand new road and American Fork City was very reluctant to tear into it.

17
18 **Keith Blake made a motion to award the Bid for the Alpine/Highland Segment III State Street**
19 **Crossing Sewer Line Project to Whitaker Construction for the contract amount of \$2,094,020.00. Brian**
20 **Braithwaite seconded the motion. Those voting “Aye” – Tracy Wallace, Mark Johnson, Brian Braithwaite,**
21 **Chris Condie, Jay Meacham, Keith Blake, David Bunker, Craig White, Craig Whitehead. The motion passed**
22 **with a unanimous vote.**

23 24 **Communication**

25 26 **A. Manager’s Report**

27 Jon said the plant was in compliance for the month of February with an average daily flow of 16.79 MDG
28 and a peak daily average flow of 17.80 MDG.

29 30 **B. Laboratory Building Construction Progress Report No. 3**

31 Jon said we have been pleased with the contractor and we continue to see cooperation and high quality work.

32 33 **C. Update on Website, Etc.**

34 David Barlow updated the Board members on the new website. David Barlow said the website is 40% to
35 50% complete. All the content update that has been done so far has been 100% in-house. There is an appointment
36 scheduled on Monday with Gov Office and they will give us some insight. David said he anticipates it will be
37 another month and it may ready for review. The domain name will be TimpSSD.org. Mark asked about how long it
38 would be before the board members can get District emails. David said part of the contract with the web developer
39 did not include email. David said he could ask if they could add that on or add it through the provider we are using
40 right now. Mark said he did not think we would need much space. Keith asked who the web developer was and
41 David said it is GovOffice. They only do government web pages. David Barlow said he would like to get some
42 input on what board members want on the web page, right now it is what we have on the existing web page.

43 44 **D. Discussion on “Cash on Hand” Proposal**

45 Jon said the last several months the Finance Committee have met and discussed “cash on hand” policy.
46 There were initial numbers proposal, and after discussion by board members, the Finance Committee met again and
47 those numbers were revised and discussed again with board members. Craig White put together a draft, which spells
48 out updated proposed figures for “cash on hand”. Jon said the operating budget proposal was cut in half to

1 \$5,000,000, the fleet reserve was left at \$2,500,000, and the rate stabilization (debt reserve fund) was left at an
2 amount to service one year of payments, at \$6,000,000. Contingency was at \$3,500,000 and the legal liability fund
3 stayed at \$12,000,000. Depreciation was dropped out of the “cash on hand”. There will be discussion and a decision
4 to be made by the Board later on depreciation. These are the proposal figures for “cash on hand” in these categories;
5 they would not continue to accumulate. We need to establish something as a placeholder for our user rate scenarios.

6 Craig White said he put this together mainly because there have been numbers discussed for three months.
7 He wanted to get something out so Board Members could have the proposal in writing, so now there are some
8 concrete numbers to discuss before formally approving them.

9 The Board discussed required board member training. There are two trainings that need to be completed by
10 board members, open meetings training and board member training. Craig White said the open meetings training
11 states that it is up to the Board Chair to make sure the board is trained. Usually, legal counsel would give that
12 training in a meeting. Tracy said we would clarify and send an email out to board members and let them know what
13 the expectations are.

14
15 **Chris Condie made a motion to go into closed session for litigation, property acquisition, or**
16 **personnel. David Bunker seconded the motion. Those voting “Aye” – Tracy Wallace, Mark Johnson, Brian**
17 **Braithwaite, Chris Condie, Jay Meacham, Keith Blake, David Bunker, Craig White, Craig Whitehead. The**
18 **motion passed with a unanimous vote. 7:02 p.m.**

19 * Jay Meacham left. 7:02 p.m.

20 * Craig Whitehead left. 7:02 p.m.

21
22 **Closed Session**

23
24 **David Bunker made a motion to go out of closed session and back into regular session. Craig White**
25 **seconded the motion. Those voting “Aye” – Tracy Wallace, Mark Johnson, Brian Braithwaite, Chris Condie,**
26 **Keith Blake, David Bunker, Craig White. The motion passed with a unanimous vote. 7:34 p.m.**

27
28 **Adjourn:**

29 **Mark Johnson made a motion to adjourn. Chris Condie seconded the motion. All present “Aye”.**
30 **Meeting adjourned 7:35 p.m.**

31