

TIMPANOGOS SPECIAL SERVICE DISTRICT  
ADMINISTRATIVE BOARD MEETING MINUTES

APPROVED

May 16, 2019 6:00 p.m. Conference Room

Board Members

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

Excused: Johnny Revill Mack Straw Commissioner Bill Lee

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

Others: Jim Goodley, Brown and Caldwell  
Brad Rasmussen, Aqua Engineers  
Courtney Booke, Squire and Company  
Kyle Greene, Squire and Company

**Call to Order**

David Bunker, Board Chair, called the meeting to order. 6:03 p.m.

**Public Comment**

There was no public comment.

**Approval of Minutes**

**1. Approval of the April 18, 2019 Administrative Board Meeting Minutes**

Brian Braithwaite made a motion to approve the minutes of the April 18, 2019 Administrative Board Meeting. Lynn Walker seconded the motion. Those voting "Aye" – David Bunker, Dale Ihrke, Mark Christensen, Brian Braithwaite, Blaine Thomas, Lynn Walker, Craig White, Jay Meacham, Sullivan Love, and Chandler Goodwin. The motion passed unanimously.

**Consent Calendar**

**1. Honnen Equipment – Loader Purchase**

**2. England Construction Pay Request – Headworks Improvements/Collections Shop Drainage Project**

Rich said every year we purchase three loaders and then they buy them back. Essentially, we are paying roughly \$27,000 for each loader. There are three loaders, which brings us to the \$83,085.00.

The first pay request from England Construction is \$156,481.63 for the work they have completed so far.

Chandler Goodwin made a motion to approve the Consent Calendar. Craig White seconded the motion. Those voting "Aye" – David Bunker, Dale Ihrke, Mark Christensen, Brian Braithwaite, Blaine Thomas, Lynn Walker, Jay Meacham, Craig White, Sullivan Love, and Chandler Goodwin. The motion passed unanimously.

1 **Finance**

2 **1. Financial Report**

3 Joe Martin presented the financials for March 2019. In the caselle financial statements, capital budget, there is a  
4 line item that was charged by mistake, so it looks like we are over budget; that has been corrected.

5  
6 **Action Items**

7 **1. 2018 Audit Presentation – Squire and Company**

8 Kyle Greene, Squire and Company, said the first part of the audit is the Independent Auditor’s Report. A key part  
9 is Management’s Responsibility for The Basic Financial Statement, which is the Board’s responsibility to make sure  
10 the presentation of the financials is in accordance with generally accepted accounting principles. Kyle said their  
11 responsibility as auditors are to come in and express an opinion and make sure the reporting done by the District is  
12 accurate.

13 Kyle said this year the auditors were alerted that there was inventory on hand. Each year the auditors have asked  
14 and there were questions about whether there was inventory on hand, and initially, it was thought there wasn’t any,  
15 but it led to the discovery that there is. Because of that, the auditors were not able to observe the inventory at the  
16 beginning of the 2018 year. Therefore, they had to give a disclaimer of opinion on the statement of revenues,  
17 expenses and cash flows. That beginning inventory number they do not know, could impact a change in net position.  
18 Kyle said because of that they could not give an opinion on two of the three statements. The auditor’s opinion on the  
19 financial position, was a clean opinion for the statement of net position of the District for December 2018.

20 Dale asked it that inventory will be corrected for this year. Kyle said they were able to observe inventory in  
21 March 2019 and performed a roll back to a good number, so moving forward inventory will be observed at the end of  
22 each year. This will be a one-time disclaimer. At the end of the report are the independent auditor’s compliance  
23 reports. The Control Report is where any deficiencies identified. Due the inventory, there is a significant deficiency,  
24 that was identified, because the inventory information was not being tracked before and things that had to be updated  
25 to make sure we were reporting properly. The District’s response was that changes would be implemented to  
26 perform counts on physical inventory on hand, reconcile the inventory to the accounting system and ensure inventory  
27 is recorded properly in the financial statements.

28 Kyle said annually the state auditor requires compliance areas to be looked at. This year those areas were;  
29 Budgetary Compliance, Utah Retirement Systems, Open and Public Meetings Act, Public Treasurer’s Bond, and  
30 Special and Local Service District Board Members. Kyle said the auditor’s opinion is that the District complied in  
31 all material respects, with state compliance requirements for those areas.

32 David Bunker commended staff for identifying any issues we have, addressing them up front, and alerting the  
33 board.

34  
35 **Craig White made a motion to accept the Audit of 2018. Dale Ihrke seconded the motion. Those voting**  
36 **“Aye” – David Bunker, Dale Ihrke, Mark Christensen, Brian Braithwaite, Blaine Thomas, Lynn Walker,**  
37 **Craig White, Jay Meacham, Sullivan Love, and Chandler Goodwin. The motion passed unanimously.**

38  
39 **2. Municipal Wastewater Management Planning Program – 2018**

40 Rich said the Municipal Wastewater Management Planning Program is a program initiated by the state of Utah to  
41 help give an overview of our facility. Rich said he had complied by completing the report they have asked for. The  
42 report is in the board packet. Rich said this is for the board to acknowledge they have received the report. Brian  
43 Braithwaite asked what a sinking fund is, in the report. David Bunker said it is asking if we are setting aside money  
44 for repairs and replacement of the system, but we may call it something else. Joe said that is a common accounting  
45 term, for setting aside money for repair and replacement. Dale asked if we have a SSMP (Sewer System  
46 Management Plan), Rich said we have one but not one that is adopted by the board. Dale said it asks if there is a  
47 written safety plan for the sewer systems, it is checked no, is that required. Rich said he thinks we would have some  
48 sort of safety plan in place, but as far as he knows we do not have one. Dale asked if we expect blowback from this  
49 when it is submitted. Rich said no, this is strictly informational to come to the board and show where we are. Brian  
50 said there should be action items that come from this. Rich said yes, he has not initiated that, but he is moving in that

1 direction on all the items and will take them to the appropriate committees, as needed. Brian asked a timeline on  
2 those. Rich said he could address this in two weeks at the next Administration Committee in summary format and  
3 we can put in timelines from there.  
4

5 **Sullivan Love made a motion to send report to the state and notify them that is has been presented to the**  
6 **board. Brian Braithwaite seconded the motion. Those voting “Aye” – David Bunker, Dale Ihrke, Mark**  
7 **Christensen, Brian Braithwaite, Blaine Thomas, Lynn Walker, Craig White, Jay Meacham, Sullivan Love,**  
8 **and Chandler Goodwin. The motion passed unanimously.**  
9

### 10 **3. Haul Contract to Wasatch Regional**

11 Rich said we put out a request for quotes for hauling to Wasatch Regional. We received quotes back from three  
12 hauling companies, which ranged from \$16.50/ton, \$30.00/ton and up to \$90.50/ton. We chose the lowest competent  
13 bidder, SNAP Trucking, at \$16.50/ton. Rich said he took the liberty to try them out this week to make sure they were  
14 viable. They have been successful in hauling three loads to Wasatch this week. Rich said they do not have an in-  
15 house written contract for hauling therefore our attorney will prepare the contract which will include the items listed  
16 in the scope of work. Dale said this is for short term, but he does not see anything in this scope that addresses,  
17 tickets, overages, or spills, there is one line, that is not really spelled out. Rich said we would have our attorney draft  
18 up the proper language. David Bunker asked if it makes sense to wait until we have a contract to approve this. Rich  
19 said he is asking that it be awarded to SNAP Trucking, then if the board wants to have a contract that comes before  
20 the board to be approved, it can be done at that point.

21 Rich said North Pointe, Bay View and NUERA have said they need us to limit the amount of biosolids we are  
22 sending to them. Rich said he needs to have a contract with NUERA, which is one of the items on the action item list  
23 tonight but, we did not get a contract solidified with them yet. They have so much of our biosolids it is not even  
24 being covered appropriately, so they are requesting to limit the biosolids going out to Bay View. Regardless if we  
25 have a written contract with the legal aspects, we still need to have someone hauling to Wasatch Regional. We are  
26 doing 105 tons/day. Rich said if the board would like him to cease doing a hauling contract, he is not sure what his  
27 options are. Dale said he is nervous about liability. Rich said that is why he would like to get the contract, with the  
28 appropriate liability protection for us, initiated Monday. Rich said if the board would like to see the contract and  
29 have input on that, it could be emailed Monday. Brian asked when they need to begin hauling. Rich said they started  
30 hauling Tuesday. This week was a trial period to make sure there were no complications with the current trucks and  
31 trailers in place. We followed them in a car to Wasatch to make sure there were no issues. Rich said if Monday  
32 comes and we do not want to do this deal with them, we can go to the next bid for \$30/ton or the next at \$90.00/ton.  
33 Rich said we need to move forward and make sure we are covered. Brian said he did not have a problem making a  
34 motion to move forward with this particular company, but it needs to be contingent upon the execution of an  
35 agreement. You can tell them yes, you are approved, but will have to sign this agreement with those liability terms  
36 and conditions. They may not like some of the terms and conditions, so they may not want to sign, that is why we  
37 cannot say it has been approved because it has to be approved conditioned upon. David Bunker asked if it would  
38 make sense for Rich to negotiate that or to come back to the board? Brian said it needs to come back to some portion  
39 of this board. It can be reviewed by the Chair and the Vice Chair.  
40

41 **Brian Braithwaite made a motion to approve the award of transporting our solid waste to SNAP Trucking**  
42 **through December 31, 2019, with terms and conditions to limit TSSD liability identified; the award is**  
43 **contingent upon execution of an agreement by both organizations, and, as a Board, to direct Rich to work with**  
44 **the Chair and Vice Chair to review and approve the contract prepared by TSSD legal and come back to the**  
45 **Board for ratification. Lynn Walker seconded the motion.**  
46

47 Dale asked if they do not start hauling Monday are we in trouble. Rich said the target date that we have to  
48 technically stop hauling to Bay View, and North Pointe is June 1<sup>st</sup>. Dale asked if it is possible that we can get a  
49 contract in place before June 1<sup>st</sup> so they are hauling under a contract. Rich said we could tell them to stop hauling  
50 Monday until we get this contract signed.

1 Dale said he would like to make the amendment that they do not haul until we have a contract with them. Brian  
2 said he thinks that is wise. Rich said they are scheduled to haul tomorrow and asked if the board would like him to  
3 cancel that. Brian said if Rich felt like they had been tested enough, then yes. Rich said we think that they can do it,  
4 so he will cancel the hauling tomorrow.

5 Mark said if this contract goes well we ratify this contract at our next board meeting, but if this cannot be  
6 negotiated with Snap, does the board want Rich to move into the negotiations with the next lowest bidder and get that  
7 in place? Mark said our next meeting is not until after June 1<sup>st</sup>, if he is unsuccessful in obtaining that contract with  
8 the first hauler, we need to give him authority to execute plan B or would need to hold an emergency board meeting  
9 to ratify that contract. So that come June 1<sup>st</sup> we are not left in dire straits. Brian said unless you think there is  
10 someone else that would get in there and change the bid process, then if it doesn't work, we move on to the next  
11 bidder. David Bunker said he and Dale Ihrke, will review this contract with Rich to make sure it covers liability, and  
12 Rich will sign after their review.

13  
14 **Brian Braithwaite amended the motion to stop hauling any additional waste until the agreement has been**  
15 **executed after the Board Chair and Vice Chair review, and to direct Rich to proceed with the next bidder,**  
16 **under the same terms; to be ratified by the board at the next board meeting. Lynn Walker seconded the**  
17 **amendment. Those voting "Aye" – David Bunker, Dale Ihrke, Mark Christensen, Brian Braithwaite, Blaine**  
18 **Thomas, Lynn Walker, Craig White, Jay Meacham, Sullivan Love, and Chandler Goodwin. The motion**  
19 **passed unanimously.**

20 \*Chandler Goodwin left. 6:55 p.m.

#### 21 22 **4. Use of Public Property Policy**

23 Rich said this policy is related to House Bill 163, that passed in the legislation session. Rich said he put together  
24 this policy and is recommending we adopt to comply with the law that will go into effect June 1<sup>st</sup>. This policy is to  
25 allow District employees incidental use of public property. It defines public property as assets used here at the  
26 District and the public servant as the employee of the District. Craig White asked if this should be in the form of a  
27 resolution to meet with our rules and regulations. David Bunker said he believes we can adopt a policy and when we  
28 bring back our personnel policies and procedures manual we can adopt that by resolution, which will include a  
29 section on this type of use.

30  
31 **Dale Ihrke made a motion to approve the TSSD Incidental Public Property Policy. Blaine Thomas**  
32 **seconded the motion. Those voting "Aye" – David Bunker, Dale Ihrke, Mark Christensen, Brian Braithwaite,**  
33 **Blaine Thomas, Lynn Walker, Craig White, Jay Meacham, and Sullivan Love. The motion passed**  
34 **unanimously.**

#### 35 36 **5. NUERA Contract**

37 This item was tabled until next month.

#### 38 39 **6. Aqua Contract – 2019 Solids Disposal Study**

40 Rich said our attorney has reviewed this contract. The Engineering Committee took time to question Aqua  
41 Engineering to make sure they are giving us what we need. The Brown and Caldwell report brought us to whether  
42 we need to change our train of our treatment facility to go with primary clarifiers, and anaerobic digesters or keep  
43 with our current train, to reduce our biosolids. This study will look at the financial cost and at the 10-year and 20-  
44 year projection of these two trains. This contract is for \$50,000.00. It will not only look at the biosolids but at the  
45 hydraulic loading to the facility. Sullivan said the Engineering Committee were able to get the proposal from Aqua  
46 reduced by \$20,000. David Bunker said the schedule says 90 days to have a draft report ready and then 30 days to  
47 finalize, after review. Could we shoot for our October meeting, to have the report finished to put in our budget for  
48 next year? Rich said yes. Dale said this was carved out of the master plan because it was going to look at a lot of  
49 things and probably take a year to do. The various committees did not want to wait a year for the master plan to

1 decide if we are going to change the process. Once this piece of the puzzle is done and the board decides, it will be  
2 put into the master plan.

3  
4 **Mark Christensen made a motion to approve the Aqua Engineering Contract for the 2019 Solids Disposal**  
5 **Study, not to exceed \$50,000.00 with a deliverable to the Board in October. Lynn Walker seconded the**  
6 **motion. Those voting “Aye” – David Bunker, Dale Ihrke, Mark Christensen, Brian Braithwaite, Blaine**  
7 **Thomas, Lynn Walker, Craig White, Jay Meacham, and Sullivan Love. The motion passed unanimously.**

8  
9 **7. Cell Tower Contract**

10 This item was tabled until next month.

11  
12 **8. Headworks Improvement/Collections Shop Drainage Project**

13 This item was tabled until next month.

14  
15 **Communication**

16 **1. Manager’s Report**

17 Rich said there is a change to the District email addresses. This is a .org, which makes us an organization, also  
18 we have 43 employees and about 18 have email accounts, now all employees will have email accounts to  
19 communicate back and forth. Rich said the Administration Committee is moving forward on the employee handbook  
20 a section at a time. The projected completion time was to be in July but will probably be sometime in September.  
21 We are being very thorough, and it will come before the board. The market study is being worked on and Rich will  
22 bring it up to date as we move along.

23 In Engineering, there are twelve projects listed, some are combined. Rich wanted the board to see timelines of  
24 each project. We have \$18 million slated to be spent this year for capital improvement projects. The blower project  
25 will not be completed this year, which is a major portion of that. Hopefully in July we will have a projection of  
26 where we will be, and the dollar amount expected for the year on capital improvement projects. Mark said typically  
27 during the summer months our phosphorus increases. We have talked about the blowers being a factor; based on  
28 some of the improvements made, do we think we will be able to meet those compliance limits this year? Rich said  
29 we have not been in violation of any of our parameters. We will not know until we get to those warmer months, but  
30 the blower project is not necessarily the reason we do not meet phosphorus limits. When we waste biosolids, they  
31 end up in the aerobic digester, and we are not able to maintain enough air with the warmer water which means the  
32 biology is either going to hold the phosphorus or release it. If we can get the biology to hold the phosphorus longer  
33 until we dewater then we are going to be able to waste the phosphorus and keep our numbers down. We are doing  
34 the aerobic digester study in-house, where we converted a small aerobic digester tank to a finer bubble diffuser to get  
35 more air. If that works, we will be able to keep those numbers down. Also, part of the fish enclosure is to look at  
36 cleaning our effluent. We are hopeful we can use that as another remedy to keep our effluent phosphorus numbers  
37 down. The Aerzen Blowers will be here next week and installed within the next 6 weeks which will eliminate the  
38 emergency. David Bunker asked about the seismic assessment. Rich said the asset management revealed that we  
39 should look at the seismic on the east side of the facility. Rich said the piping we have is slated to go 40-50 years,  
40 and we are right at that. Dale said that is condition assessment, not seismic. They identified some of the older  
41 facilities they thought were not to code. Dale said it is not required to change, you are grandfathered in, unless you  
42 do some major modifications, this is not a regulatory driver. David Barlow said correct. Sullivan asked if the  
43 increase in daily flow is due to growth or rain? Rich said he has not evaluated that, we are up about 2 mgd, he is not  
44 sure if that is growth or infiltration.

45  
46 **Closed Meeting**

47 There was no closed meeting.

48 **Adjourn: Brian Braithwaite made a motion to adjourn. Sullivan Love seconded the motion. All present**  
49 **“Aye”. Meeting adjourned 7:12 p.m.**