

TIMPANOGOS SPECIAL SERVICE DISTRICT
ADMINISTRATIVE BOARD MEETING MINUTES

APPROVED

October 15, 2015

6:00 p.m.

Conference Room

Board Members:

Present: Tracy Wallace Mark Johnson David Norman Spencer Kyle
Dale Ihrke Chris Condie Jay Meacham Keith Blake
David Bunker Craig White Sean Fernandez Brian Braithwaite

Excused: Craig Whitehead

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

Others: Brandon Wyatt, Bowen, Collins & Associates
Craig Carlile, Ray Quinney & Nebeker

Call to Order:

Tracy Wallace, Board Chair, called the meeting to order. 6:01 p.m.

Public Comment

There was no public comment.

Approval of Minutes

1. Approval of the September 17, 2015 Administrative Board Meeting Minutes

Craig White made a motion to approve the meeting minutes from the September 17, 2015 Administrative Board Meeting. Sean Fernandez seconded the motion. Those voting "Aye" – Mark Johnson, David Norman, Spencer Kyle, Brian Braithwaite, Chris Condie, Jay Meacham, Keith Blake, David Bunker, Craig White, Sean Fernandez, and Dale Ihrke. Tracy Wallace abstained. The motion passed.

Consent Calendar

1. Pay Request No. 6 Whitaker Construction/Alpine Highland Segment III Sewer Line Project
Pay request No. 6 is for \$269,099.19

Chris Condie made a motion to approve the Consent Calendar as presented - Pay Request No. 6 Whitaker Construction/Alpine Highland Segment III Sewer Line Project. Dale Ihrke seconded the motion. Those voting "Aye" – Tracy Wallace, Mark Johnson, David Norman, Spencer Kyle, Brian Braithwaite, Chris Condie, Jay Meacham, Keith Blake, David Bunker, Craig White, Sean Fernandez and Dale Ihrke. The motion passed with a unanimous vote.

1 **Finance**

2 **1. Financial Report**

3 Joe Martin presented the financials. Brian Braithwaite said compost expenses are at 12%, personnel is at
4 56%, and repairs and maintenance are at 23%. Brian said we are 75% though the year and asked why some of those
5 accounts are so low. Shannon said there are some big money items that will come out in November. Jon said there
6 would be a large amount of money spent on repairs and replacement and purchases done at year-end. Brian
7 Braithwaite asked why compost expenses would be low. Jon said there are items like the tarps that are going to hit
8 the accounts. We have made a down payment but will need to pay the remaining \$440,000.00. Brian said the tarps
9 would not fit into that budget account. Jon said he would look into that account and get back to the board. There
10 have been purchases we have held off on pending the odor litigation. Brian said in the Fleet operating expenses the
11 cost of the new vehicles is not coming out of that. That account is at 32%. Jon said there are some yearend items,
12 for example 20,000 gallons of diesel fuel.

13 Brian said he asked Shannon for an aging report, which shows how long items are sitting in accounts
14 receivable. There is about \$12,000.00 sitting beyond 60 days, which is low, for an organization that brings in a large
15 amount of money. Most of that is small landscaping companies; with the biggest being about \$3,100.00. Ninety five
16 percent of the receivable are under 60 days. Brian said well done to the accounting team that is a positive thing.
17 Brian asked what the policy is for bad debt. Joe said every year at audit time we look at the outstanding receivables,
18 make phone calls to those companies, and can put a hold on their account if they owe. If they are completely out of
19 business, we can write it off. The policy the District has is if a landscaping company's bill gets over \$5000.00 then
20 Jon wants to be informed of that. Brian said that is a great policy to have in place. Jon said we have found some
21 companies they want to use us as a bank. They might charge \$ 6,000.00 - \$7,000.00 worth of compost, only pay
22 \$1,500.00, and try to charge again. We put an end to that. Jon said Zonna calls the companies individually when
23 there is an issue.

24

25 **Action Items**

26 **1. Tentatively Adopt the 2015 Tentative Amended Operations and Maintenance & 2015 Tentative**
27 **Amended Capital Budgets**

28 Tracy said it is required by the State that we tentatively adopt the tentative budgets. Brian asked if all the
29 amendments were in the documents the Board members received. Jon said yes they are in the summary sheet. Jon
30 said it is a legal requirement to adopt this. The Board will then set a work session, to review, discuss and make any
31 changes to the budget. Those changes will go into the summary sheet, which is what the Board will officially adopt
32 and send to the State Auditor's office. Right now, the Board is tentatively adopting a tentative budget, which will
33 change

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35 **Keith Blake made a motion to Tentatively Adopt the 2015 Tentative Amended Operations and**
36 **Maintenance and 2015 Tentative Amended Capital Budgets. Brian Braithwaite seconded the motion. Those**
37 **voting "Aye" – Tracy Wallace, Mark Johnson, David Norman, Spencer Kyle, Brian Braithwaite, Chris**
38 **Condie, Jay Meacham, Keith Blake, David Bunker, Craig White, Sean Fernandez and Dale Ihrke. The**
39 **motion passed with a unanimous vote.**

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41 **2. Tentatively Adopt the 2016 Tentative Proposed Operations and Maintenance & 2016 Tentative**
42 **Proposed Capital Budgets**

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44 **David Bunker made a motion to Tentatively Adopt the 2016 Tentative Proposed Operations and**
45 **Maintenance and 2016 Tentative Proposed Capital Budgets. Keith Blake seconded the motion. Those voting**
46 **"Aye" – Tracy Wallace, Mark Johnson, David Norman, Spencer Kyle, Brian Braithwaite, Chris Condie, Jay**
47 **Meacham, Keith Blake, David Bunker, Craig White, Sean Fernandez and Dale Ihrke. The motion passed with**
48 **a unanimous vote.**

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2 **3. Set the Public Hearing date for the 2015 Tentative Amended Operations and Maintenance and 2015**
3 **Tentative Amended Capital Budgets and the 2016 Tentative Proposed Operations and Maintenance and 2016**
4 **Tentative Proposed Capital Budgets. Suggested date for the Public Hearing is November 19, 2015**
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6 **Keith Blake made a motion to set the date of November 19, 2015 at 6:00 p.m. for Public Hearings for**
7 **the Tentative Amended 2015 Operations and Maintenance Budget, the Tentative Amended 2015 Capital**
8 **Budget, the Tentative Proposed 2016 Operations and Maintenance Budget, and the Tentative Proposed 2016**
9 **Capital Budget. Jay Meacham seconded the motion. Those voting “Aye” – Tracy Wallace, Mark Johnson,**
10 **David Norman, Spencer Kyle, Brian Braithwaite, Chris Condie, Jay Meacham, Keith Blake, David Bunker,**
11 **Craig White, Sean Fernandez and Dale Ihrke. The motion passed with a unanimous vote.**
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13 The Board scheduled a budget work session for Thursday, November 5, 2015 at 5:00 p.m. Tracy said the
14 work session is not required. We are doing the work session so the Board members do not have a the single sheet
15 summary, but understand all parts and accounts of the budgets. We can have the public hearing and still change the
16 budget and adopt it. The work session is just to make sure each board member fully understands the budget that will
17 be adopted. Spencer said his understanding is the board adopts the tentative budget now and the public can come
18 review it all they want, but we can make changes up until the minute before we adopt it. There is a legal requirement
19 to have seven days for review. Craig Carlile said that is true. The tentative budget has to be available for the public
20 to look at, comment on, and changes can be made right up until the board adopts the budget.
21

22 **Communication**

23 **1. Manager’s Report**

24 Jon told Brian he had an answer to his question earlier on the compost supplies account. The polymer,
25 chemical and odor controls will all come out of that account and that is a year-end order. That will take it to 85%-
26 90%. The cabinets are to be here on Monday for the lab. Jon said the board directed Keith Larson to look at several
27 scenarios on the user rates. He has done that. Keith was not available for tonight, but Jon would suggest to have
28 Keith come and give that presentation at the beginning of the work session. He is ready to go with that. The plant
29 was in compliance for the month of September. The daily average flow was 17.72 MGD with a peak daily average
30 flow of 24.60 MGD. Jon said there were DMR Reports from the DWQ that had parameters that were not in our
31 permit. We have resolved that. Keith asked if it would be convenient to make a spreadsheet of the last 5 years plant
32 performance. Jon said yes, we have done that in the past and could do now.
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34 **2. Alpine Highland Segment III Sewer Line Progress Report No. 6**

35 Jon said we are done with the installation of our sewer line under State Street, the casings, the borings and
36 the pressurized irrigation is going down Meadow Lane. We will make a turn to the south, southwest and go out
37 behind Best Buy and finish some more work there. That project has been very challenging; hats off to Whitaker
38 Construction, with a lesser contractor we would be further behind or had the potential of the contractor walking
39 away. That project has work for the District, but also coordinated work with American Fork City, Woodbury
40 Development, and even IFA. It posed some interesting problems, and also we ran into the telecommunications line
41 that was unmarked and unknown. That caused us to go back and do a little redesign and resulted in the only change
42 order thus far. Keith Blake asked if there was some responsibility on the people that should have had that line
43 marked. Are they willing to pay some of the extra costs? Jon said no they are not willing, they are unhappy with us
44 for the delays and we think they help caused them. Brandon said we think now looking back it was a line installed
45 by Union Pacific when they were running the tracks. Union Pacific does not participate in the Blue Stakes program.
46 It is now a UTA track. We got lucky when blue stakes was called it was found. We had to redesign the line and add
47 some length. If we had known it was there, we would have designed it this way the first time. Jon said was in a
48 sensitive area, right there where the businesses are and access has been a concern. The fact that they are off Meadow
49 Lane and will be asphaltting is a big deal for that shopping area and the merchants there.

1 **Spencer Kyle made a motion to go into Closed Session for purpose of pending litigation. Brian**
2 **Braithwaite seconded the motion. Those voting “Aye” – Tracy Wallace, Mark Johnson, David Norman,**
3 **Spencer Kyle, Brian Braithwaite, Chris Condie, Jay Meacham, Keith Blake, David Bunker, Craig White,**
4 **Sean Fernandez and Dale Ihrke. The motion passed with a unanimous vote.**

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6 **Roll call of those attending closed session -Tracy Wallace, Mark Johnson, David Norman, Spencer**
7 **Kyle, Brian Braithwaite, Chris Condie, Keith Blake, David Bunker, Craig White, Sean Fernandez, and Dale**
8 **Ihrke. 6:44 p.m.**

9 * Jay Meacham left. 6:44 p.m.

10
11 **Closed Session**

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13 **Keith Blake made a motion to go back into regular session. Chris Condie seconded the motion. Those**
14 **voting “Aye” – Tracy Wallace, Mark Johnson, David Norman, Spencer Kyle, Brian Braithwaite, Chris**
15 **Condie, Keith Blake, David Bunker, Craig White, Sean Fernandez, and Dale Ihrke. The motion passed with a**
16 **unanimous vote. 8:13 p.m.**

17
18 **Adjourn:**

19 **David Bunker made a motion to adjourn. Keith Blake seconded the motion. All present “Aye”.**
20 **Meeting adjourned 8:14 p.m.**

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