

TIMPANOGOS SPECIAL SERVICE DISTRICT
ADMINISTRATIVE BOARD MEETING MINUTES

APPROVED

September 19, 2019 6:00 p.m. Conference Room

Board Members

Present:

David Bunker	Mack Straw	Lynn Walker
Johnny Revill	Craig White	Blaine Thomas
Chandler Goodwin	Jay Meacham	*Sullivan Love
*Brian Braithwaite		

Excused:

Mark Christensen	Dale Ihrke	Commissioner Bill Lee
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District Staff:

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

Others:

Craig Carlile, Attorney
Brandon Wyatt, Bowen Collins and Associates
Jim Goodley, Brown and Caldwell
Randy Zollinger, Jacobs
Mike Swallow, Personnel Systems
Jason Williams, Moreton Asset Management

Call to Order

David Bunker, 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 August 15, 2019 Administrative Board Meeting Minutes

Chandler Goodwin made a motion to approve the minutes of the August 15, 2019 Administrative Board Meeting. Jay Meacham seconded the motion. Those voting "Aye" – David Bunker, Mack Straw, Lynn Walker, Blaine Thomas, Craig White, Jay Meacham, Johnny Revill, and Chandler Goodwin. The motion passed unanimously.

*Sullivan Love, Brian Braithwaite arrived. 6:04 p.m.

Finance

1. Financial Report

Joe said we are more than 50% through the year but a lot of the expenses are less than 50%, which is normal for how we operate. The impact fees are coming in every month and Joe said he appreciates the board members working with the cities to get those sent to the District. Joe said there are a couple of accounts that we will want to talk about in our budget meeting and make some adjustments before the end of the year. David Bunker said the ERU's are lower this year than last year at this time. It is important for us to notice it is slowing down.

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Action Items

1. Employee Pay Policy

Rich said the Administrative Committee has been working on the compensation policy. The District had a market study done a couple of years ago by Mike Swallow and his team. Rich said we have taken direction from the points in the compensation philosophy and incorporated it into the tool set up by Mike Swallow. Rich said he hoped to make clear the different aspects of the proposed philosophy. Rich reviewed the 8 points in the proposed TSSD Compensation Philosophy. 1) Survey the same position/entities each year. what different entities are paying for different positions and the job numbers associated with those positions. 2) Determine job valuations on four factors: job knowledge, responsibility, work environment, difficulty of work and calculate the point valuation. 3) obtain the market average and set range at $\pm 25\%$ to determine minimum, middle and maximum. 4) Starting wage typically in first quartile of range, District Manager has discretion in raising a starting wage to mid-point of range, with anything exceeding mid-point requiring board authorization. 5) Any employee at the maximum of their range is eligible for up to a xx% bonus each year based on merit pay, not to exceed board authorization. 6) Evaluations are conducted one per year, and raises will be approved in January, contingent upon board approval of the proposed budget. 7) The budget will be set to the mid-point for any employee at mid-point or lower in their pay range and employees over the midpoint will be budgeted at the actual pay plus x%. 8) The District Manager has the authority to adjust an employee's pay based upon performance.

David Bunker asked if anyone had questions. Brian Braithwaite said Highland City follows the same plan so this is familiar to him. David said Rich has done a fantastic job putting this together. David said this is more comprehensive than what the District has had in the past, it gives a good framework where we are headed and clarity on how the compensation plan will be administered. It is helpful for all the District employees, so they can see what components go into it and how they will be compensated. The board decided they would set the percentage of the bonus pay at the next meeting.

Brian Braithwaite made a motion to approve the TSSD Employee Pay Policy as presented. Mack Straw seconded the motion. Those voting "Aye" – David Bunker, Mack Straw, Brian Braithwaite, Lynn Walker, Blaine Thomas, Craig White, Jay Meacham, Johnny Revill, Sullivan Love, and Chandler Goodwin. The motion passed unanimously.

2. Resolution 2019-01 A Resolution to Change the Trustee on 401K Profit Sharing Plan

Rich said this is for a plan started back in 1984. There are currently four employees on this plan. We are trying to roll their money into URS, but a trustee is required to do that. Garland Mayne is currently the trustee and he no longer works for the District. This resolution would appoint Rich as the trustee so the money may be transferred for those four employees.

Brian Braithwaite made a motion to approve Resolution 2019-01 designating Richard Mickelsen as the Trustee and Plan Administrator. Sullivan Love seconded the motion. Those voting "Aye" – David Bunker, Mack Straw, Brian Braithwaite, Lynn Walker, Blaine Thomas, Craig White, Jay Meacham, Johnny Revill, Sullivan Love, and Chandler Goodwin. The motion passed unanimously.

Communication

1. Investment Presentation – Moreton Asset Management

Jason Williams, Moreton Asset Management, a registered investment advisory firm headquartered in Salt Lake City, introduced their firm and gave some background information. Jason presented some recommendations for the structure of the investment portfolio for the District. He presented some advantages the District could expect by taking the recommendations. Jason said his about 60% of their work is municipal and they work with a number of cities, counties and special districts.

1 Jason said special service districts tend to be capital intensive, where you hold cash balances over long periods of
2 time, to replace capital equipment as they age and need to be replaced. It is important to know when are holding
3 millions of dollars in cash, how you are investing it and keeping it safe on behalf of the tax payer.

4 Brian Braithwaite said the Finance Committee has not reviewed this and does not think the Board should move
5 forward with anything until they have had a chance to review it. David Bunker said this is just a communication item
6 with no action tonight. David said he knows Jason and has worked with him in the past and he has done good work.
7 David thinks this is something the Finance Committee should review and explore more to see if it is something the
8 District wants to participate in.

9 10 **2. Manager's Report**

11 Rich said the next board Meeting on October 17, 2019 will start at 8:00 a.m. for the board retreat. We will be
12 covering a lot of these items in more detail. Rich said the plant tour went well and some board members attended,
13 which he appreciates. There were also some legislators who attended. Rich wanted to show that we clean the water,
14 and for them explore the plant and the odors to see we can control those odors. Rich said he didn't realize the impact it
15 would have on the legislators. They were livid when we talked about the composting coming to an end. They wanted
16 to know why we didn't put a building on top of the composting and scrub the air. Rich also talked to them about the
17 harmful algal blooms. He is not sure if they understood it all, but thinks some steps were taken and we will introduce
18 more of that with our carp enclosure study. Brian Braithwaite said Highland's Mayor went through the tour. He has a
19 lot of pictures but is a little frustrated over not being able to continue the compost. Rich said he is working on some
20 things and next month he will have more to share with the board. Brian said he is thrilled we did the tour because it
21 opened their eyes. Brian thinks they will really like what we are doing with Utah Lake if we can figure out how to
22 communicate that a little better. Blaine said the biggest thing he got out of it, is why about why we cannot keep the
23 composting; both legislators commented on it. Blaine said Rich did a great job with the tour.

24 Rich said the employee handbook has not been given out to all the different members individually but he will get it
25 out so members can review and discuss it in the committee meetings. Rich said we have an RFP prepared to go out for
26 hauling the solids. It will be posted, so we can keep in line with what we have planned. Rich said NUERA gave him a
27 new contract on Monday. He has not had time to look at it yet so it will be presented next month. We will talk about
28 water rights next month; if any city has interest in water reuse be prepared to discuss that.

29 Rich said we will discuss all the engineering projects and costs in detail next month. Brian asked if that would
30 include the projections for next year. Rich said yes. The Engineering Committee will be going over the contractor list
31 on October 2nd at 2. Rich said Jodi Hoffman looked over and approved the contract with Zions. Rich will get that
32 signed to move forward with Zions on the IFA and User Rate Study contingent upon Bowen Collins getting the
33 information to Zions.

34 David Bunker said he would like to go in to a closed session to discuss personnel.
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36 **Chandler Goodwin made a motion to go in to Closed Session to discuss personnel. Brian Braithwaite**
37 **seconded the motion. There was a roll call vote. Those voting "Aye" – David Bunker, Mack Straw, Brian**
38 **Braithwaite, Lynn Walker, Blaine Thomas, Craig White, Jay Meacham, Johnny Revill, Sullivan Love, and**
39 **Chandler Goodwin. The motion passed unanimously. 6:50 p.m.**

40 41 **Closed Meeting**

42 **Blaine Thomas made a motion to go out of closed session. Johnny Revill seconded the motion. Those voting**
43 **"Aye" – David Bunker, Mack Straw, Brian Braithwaite, Lynn Walker, Blaine Thomas, Craig White, Jay**
44 **Meacham, Johnny Revill, Sullivan Love, and Chandler Goodwin. The motion passed unanimously.**

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46 **Adjourn: Brian Braithwaite made a motion to adjourn. Chandler Goodwin seconded the motion. All**
47 **present "Aye". Meeting adjourned 7:08 p.m.**
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