

**MONDAY, JUNE 22, 2009**

Minutes of the 731<sup>st</sup> meeting of the Metropolitan Water District of Salt Lake & Sandy

The Board Meeting of the Metropolitan Water District of Salt Lake & Sandy on Monday, June 22, 2009 began at 3:30 p.m. in the District's Board Room located at 3430 East Danish Road, Cottonwood Heights, Utah 84093.

The following Trustees were present:

Leland J. Myers	-Chair
John S. Kirkham	-Vice Chair
Lee Kapaloski	-Secretary
Donald Y. Milne	-Trustee
Tom Godfrey	-Trustee
Kathy W. Loveless	-Trustee
David L. Buhler	-Trustee

Also present:

Michael Wilson, General Manager  
Michael DeVries, Assistant General Manager/IS Manager  
Josh DeBry, Controller  
Steve Stocking, Operations & Maintenance Manager  
Steve Slack, Assistant Operations & Maintenance Manager  
Cláudia Wheeler, Environmental Services Manager  
Wayne Winsor, Engineering Manager  
Annalee Munsey, Executive Assistant/HR Officer  
Gardner Olson, Project Engineer  
Ammon Allen, Project Engineer  
Shawn Draney, Snow, Christensen & Martineau  
Tom Ward, Salt Lake City Public Utilities  
Shane Pace, Sandy City Public Utilities  
Alan Packard, Jordan Valley Water Conservancy District  
Christine Finlinson, Central Utah Water Conservancy District  
Mike Marchant, Brown & Caldwell  
Mike Zuhl, R&R Partners  
Mike Collins, Bowen Collins & Associates  
Scott Robertson, Lewis, Young, Robertson & Burningham  
Jim Garside  
Evan Johnson

**Work Session Agenda**

1. Discuss Provo Reservoir Canal Enclosure Project
2. Open Meeting Act Training
3. Other

**Board Meeting Agenda**

1. Call to order
2. Public comment
3. Committee Reports
  - a. Engineering Committee
    - i. Consider approval of waiver of right-of-way encroachment processing fee for Alpine City
    - ii. Other

- b. Management Advisory Committee
  - i. Consider approval of changes to Policies and Procedures
  - ii. Other
- c. Finance Committee
  - i. Consider approval of an amendment to fiscal year 2009
  - ii. Consider approval of Resolution 1830 for the MWDSL Budget for FY 2010
  - iii. Other
- d. Executive Committee
  - i. Discuss local district taxing authority
- 4. Elect board officers
- 5. Consider acceptance of financial reports
- 6. Consider approval of Board Meeting Minutes dated May 18, 2009
- 7. Reporting/Scheduling items
- 8. Other Business
- 9. Items to be discussed at the next meeting
- 10. Closed session

### Work Session Agenda

#### Discuss Provo Reservoir Canal Enclosure Project

Mr. Mike Collins provided an update on the design of the Provo Reservoir Canal Enclosure Project (PRCEP). The canal travels 21 miles through seven cities in northern Utah County. The two options being considered and evaluated are the box culvert and pipeline.

Mr. Wilson presented the financial model for the PRCEP and reported that the negotiations are ongoing. The Central Utah Water Conservancy Board is scheduled to approve the Master Agreement at their Board meeting on June 24<sup>th</sup>. There is a sense of urgency to reach an agreement because of the possibility of losing the allocated funding from the Board of Water Resources.

#### Open Meeting Act Training

Mr. Draney provided training to the Board members on the Open Meeting Act.

#### Other

No other business was discussed.

### Board Meeting Agenda

#### Call to order

At 5:08 p.m. the Chair called the meeting to order and welcomed board members, staff and guests.

#### Public comment

Mr. Jim Garside, resident of Spanish Fork, had filed a Government Records Access and Management Act (GRAMA) request for all legal service provider invoices. He requested that the staff and Board provide the invoices without redactions and for the Board to vote in favor of an open records policy for Provo River Water Users Association. The Chair passed this action over to legal counsel for review.

Mr. Evan Johnson, resident of American Fork, addressed the Board regarding GRAMA requests, the District's shares in Big Ditch Irrigation, and water politics.

#### Engineering Committee

Mr. Milne reported on the Engineering Committee meeting and the encroachment appeals from Draper City and Alpine City. The committee also discussed procurement for general services agreements for surveying and general civil engineering.

**Consider approval of waiver of right-of-way encroachment processing fee for Alpine City**

An application for use of Salt Lake Aqueduct right-of-way was received from Alpine City on March 12, 2009. The nature of the application is to increase the size of an existing sewer line. The method for replacement is by bursting, the effect of which minimizes disturbance to traffic and the aqueduct. The Engineering Committee recommended waiver of the \$1,500 application fee because the sewer is an existing licensed encroachment.

Mr. Godfrey motioned to approve waiver of right-of-way encroachment processing fee for Alpine City; Mr. Buhler seconded the motion and it carried unanimously.

**Consider approval of changes to Policies and Procedures**

Mr. Milne motioned to approve changes to the District's Policies and Procedures; Mr. Kapaloski seconded the motion and the motion passed unanimously.

**Consider approval of an amendment to Fiscal Year 2009**

The District will face an overage of approximately \$500,000 related to the elevated cost for chemicals, and the electrical costs associated with running the Point of the Mountain Water Treatment Plant. The District will exceed budgeted revenues by approximately \$942,000 during Fiscal Year 2009. Based on section 3-613 of the P&P, the District can use this "expendable revenue" to cover the O&M expense overage. The Finance Committee recommended this option to cover any overages to the 2009 O&M budget.

Mr. Kirkham motioned to amend the 2009 O&M Budget as discussed in Tab 3 and to amend the Fiscal Year 2010 budget to reflect the change in total compensation; Mr. Milne seconded the motion, and it carried unanimously.

**Consider approval of Resolution 1830 for the MWDSLS Budget for FY 2010**

Mr. Milne proposed a change to the wording of Resolution 1830 to state "increasing this District's general wholesale water rate from \$200 per acre-foot to \$300 per acre-foot during peak rate periods and decreasing from \$200 per acre-foot to \$100 per acre-foot during non-peak rate periods."

Mr. Kirkham motioned to approve Resolution 1830 for MWDSLS Budget for FY 2010 with correction noted; Mr. Godfrey seconded the motion, and the motion passed unanimously upon roll call:

Mr. Buhler	-aye
Mr. Godfrey	-aye
Mr. Kapaloski	-aye
Mr. Kirkham	-aye
Ms. Loveless	-aye
Mr. Milne	-aye
Mr. Myers	-aye

**Executive Committee**

The Executive committee provided feedback on the presentation that was prepared for the Revenue and Taxation Committee meeting. Mr. Wilson made the presentation to the Revenue and Taxation Committee on June 17<sup>th</sup> to present the District's position regarding the taxing authority of local districts. Mr. Kirkham, Mr. Kapaloski, Mr. Zuhl, and Mr. Draney were also in attendance.

The Board discussed the preliminary plans to meet with legislative leadership and the District's ongoing strategy.

**Elect board officers**

Mr. Milne motioned to maintain the current officers with Mr. Myers as Chair, Mr. Kirkham as Vice-Chair, and Mr. Kapaloski as Secretary until replaced; Mr. Godfrey seconded the motion and the motion carried unanimously.

**Consider acceptance of financial reports**

Ms. Loveless motioned to accept the April 2009 financial reports; Mr. Kirkham seconded the motion, and the motion passed unanimously.

**Consider approval of Board Meeting Minutes dated May 18, 2009**

Mr. Buhler moved to approve the Board Meeting Minutes dated May 18, 2009; Mr. Godfrey seconded the motion and it carried unanimously.

**Reporting/Scheduling items**

Mr. Wilson reported to the Board that Kelly Buckley is retiring after 21 years with the District. The Cabela's Traverse Mountain settlement is complete and the Serdar land purchase is set to close on June 24<sup>th</sup>. Mr. DeVries and Ms. Loveless attended American Water Works Association Annual Conference and Exposition (ACE) last week. At ACE, the District received an award for exemplary source water protection. Only two large water systems received this award.

**Other Business**

No other business was discussed.

**Closed session**

Legal counsel deemed it necessary to go into closed session for issues relating to litigation and pending litigation. Mr. Milne motioned to go into closed session; Mr. Godfrey seconded the motion and it passed unanimously. Staff and guests were excused. All board members were present including Mr. Wilson, Mr. DeVries, Mr. Draney, Ms. Munsey, Mr. DeBry, and Ms. Wheeler.

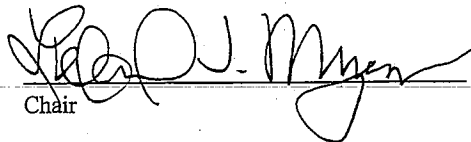
Mr. Kapaloski moved to go out of closed session; Mr. Milne seconded the motion and the motion passed unanimously.

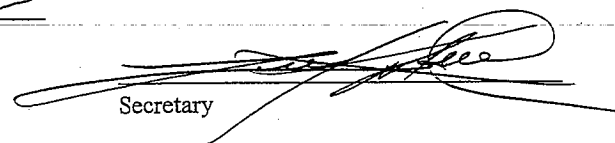
Legal counsel deemed it necessary to go into closed session for issues relating to security. Mr. Godfrey motioned to go into closed session to discuss security; Mr. Buhler seconded the motion and it passed unanimously.

Mr. Kirkham moved to go out of closed session; Mr. Kapaloski seconded the motion and the motion passed unanimously.

**Adjourn**

At 6:06 p.m. Mr. Kirkham motioned to adjourn; Mr. Godfrey seconded the motion, and it carried unanimously.

  
Chair

  
Secretary