

MONDAY, DECEMBER 10, 2018

Minutes of the 829th meeting of the Metropolitan Water District of Salt Lake & Sandy

The Board Meeting of the Metropolitan Water District of Salt Lake & Sandy on Monday, December 10, 2018 began at 4:30 p.m. in the District's Board Room located at 3430 East Danish Road, Cottonwood Heights, Utah 84093.

The following trustees were present:

Tom Godfrey	-Chair
Donald Y. Milne	-Vice Chair
Patricia Comarell	-Secretary
Cindy Cromer	-Trustee
Joan Degiorgio	-Trustee
Arthur D. Hunter	-Trustee
John H. Mabey, Jr.	-Trustee

Also present:

Mike DeVries, General Manager
Annalee Munsey, Assistant General Manager
Wayne Winsor, Assistant General Manager/Engineering & Maintenance Manager
Blake Bowles, Executive Assistant
Matt Tietje, Operations Manager
Ryan Nicholes, Information Services Manager
Cláudia Bauleth, Laboratory Manager
Sonya Shepherd, HR Program Manager
Ammon Allen, Engineering Supervisor
Mark Sarvela, Water System Operator
Steve Slack, Engineer I
Josh Croft, Accountant
Shawn Draney, Snow Christensen & Martineau
Jesse Stewart, Salt Lake City Public Utilities
Keith Denos, Provo River Water Users Association
Richard Bay, Jordan Valley Water Conservancy District
Tom Ward, Sandy City Public Utilities
Johnathan Ward, Zions Bank Public Finance
Korey Walsh, Stantec

Work Session Agenda

1. Bonds 101
2. Other

Board Meeting Agenda

1. Call to order
2. Employee recognition
3. Public comment
4. Environmental Committee report
 - a. Consider approval of USU water audits program for 2019
 - b. Reporting items
5. Consider approval of financial auditing services contract
6. Discuss updated press release template
7. Consider approval of Board Meeting minutes dated October 15, 2018
8. Consider approval of Board Meeting minutes dated November 5, 2018
9. Consider acceptance of financial reports
10. Reporting/Scheduling items
 - a. District winter party
11. Other business
12. Items to be discussed at future meetings

13. Closed session
 - a. Discuss pending or reasonably imminent litigation
 - b. Discuss purchase or sale of real property
14. Adjourn

Work Session

Bonds 101

Mr. Johnathan Ward, the District's Financial Advisor, gave a presentation on bonding. He described the different types of bonds and how the District utilizes this resource.

Board Meeting

Call to order

At 4:35 p.m. the Chair called the meeting to order and welcomed board members, staff and guests.

Employee recognition

Ms. Munsey introduced Mr. Josh Croft who started with District in October as the Accountant. Mr. Tietje recognized Mr. Mark Sarvela, Water System Operator, for his 10 years of service at the District.

Public comment

The Chair invited any public comment and no comments were made.

Consider approval of USU water audits program for 2019

The District entered into a contract with Utah State University (USU) for water audits on April 28, 2015 that allows for five one-year extensions. The contract year begins February 1 and ends January 31. The current contract expires on January 31, 2019. Both member cities indicate continued support for the program. The contract amount is \$60,000; however, USU incurred costs of \$64,000 in 2018. During the November 27, 2018 Environmental Committee meeting, Dr. Kelly Kopp made a presentation on the 2018 water audit program. The Environmental Committee discussed the 2019 contract amount and recommended a \$14,000 increase in the contract. The increase would cover the \$4,000 deficit in 2018 and provide additional funding for water audits and research analysis in 2019.

Prior to approving the 2019 contract, the board requested information regarding the \$4,000 overage in 2018. They also requested a copy of the report prepared by Ms. Kopp. The contract will be brought forward at the January board meeting.

Reporting Items

During the January 23, 2018 Environmental Committee meeting, the committee developed an objectives summary that represented the spectrum of responsibility assigned to the Environmental Committee. These objectives correlate with the District's overall mission statement. The board finalized the Environmental Mission Statement in February 2018. Mr. DeVries gave an update on the accomplishments in 2018 related to the Environmental Mission Statement. Mr. DeVries also informed the Board that Ms. Munsey will represent the District on the Central Wasatch Commission Stakeholder Council.

Consider approval of financial auditing services contract

With the conclusion of the FY18 Audit, the five-year contract with the District's financial auditor is complete. During the Finance Committee meeting on October 2, 2018, the committee authorized the request for proposal (RFP) process for procurement of an independent auditor. The audit services are for fiscal years ending June 30, 2019 through 2023. On November 7, 2018, the RFP was posted on SciQuest (Utah Supplier portal) and proposals were due on

November 15, 2018. The District received proposals from three auditing firms. A selection committee consisting of Mr. DeVries, Ms. Munsey, Ms. Shepherd, Mr. Hunter, and Ms. Comarell reviewed the three proposals. The selection committee recommended award of the 5-year contract for financial auditing services to Keddington & Christensen. The contract amount is \$10,000 per year, not-to-exceed \$50,000 over the 5 years.

Mr. Milne motioned to approve the financial auditing services contract with Keddington & Christensen; Mr. Hunter seconded the motion and it carried unanimously

Discuss updated press release template

The tree removal press release was presented at the October board meeting for review and discussion. Comments were incorporated and the press release updated as a result. Board members were given an additional opportunity to review and provide further comment. The updated press release was included in the board packet and represented the thoughts and comments from the board. Upon final approval, the press release template will be included with the tree removal standard operating procedure. Staff sought final approval of the updated tree removal press release template.

Ms. Degiorgio motioned to approve the tree removal press release template, with changes noted; Ms. Comarell seconded the motion and the motion passed unanimously.

Consider approval of Board Meeting minutes dated October 15, 2018

Ms. Cromer motioned to approve Board Meeting minutes dated October 15, 2018; Ms. Comarell seconded the motion. The motion carried unanimously.

Consider approval of Board Meeting minutes dated November 5, 2018

Mr. Milne motioned to approve Board Meeting minutes dated November 5, 2018; Ms. Cromer seconded the motion. The motion carried unanimously.

Consider acceptance of financial reports

Mr. Hunter motioned to accept the September 2018 financial reports; Mr. Milne seconded the motion. The motion carried unanimously

Reporting / Scheduling items

Mr. DeVries referred board members to the capital projects and Terminal Reservoir Replacement Project report in the board packet. The Administration Building Roof Replacement Project has not been completed. A completion date has been set and liquidated damages, if any, will be determined after the roof is substantially complete.

Mr. DeVries invited Ms. Bauleth to give an update on the District's winter party. Ms. Bauleth informed the board that the District party would take place Saturday, January 12, 2019 at FatCats in Salt Lake City. Board members were invited to attend.

Other business

No other business was discussed.

Closed session

Mr. Draney deemed it appropriate to go into closed session to discuss pending or reasonably imminent litigation and to discuss the purchase or sale of real property. Ms. Cromer motioned to go into closed session; Mr. Milne seconded the motion and it carried unanimously. Staff and guests were excused. All board members were present along with the following staff: Mr. DeVries, Mr. Winsor, Ms. Munsey, Mr. Draney, and Mr. Bowles.

Mr. Milne motioned to go out of closed session; Ms. Degiorgio seconded the motion and it carried unanimously.

Adjourn

At 5:27 p.m. the board meeting adjourned.

Chair

Secretary