MONDAY, APRIL 18, 2011

Minutes of the 749th meeting of the Metropolitan Water District of Salt Lake & Sandy

The Board Meeting of the Metropolitan Water District of Salt Lake & Sandy on Monday, April 18, 2011 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:

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

Also present:

Michael Wilson, General Manager
Michael DeVries, Assistant General Manager/Information Services Manager
Annalee Munsey, Administrative Supervisor
Cláudia Wheeler, Environmental Services Manager
Wayne Winsor, Engineering Manager
Gardner Olson, Project Engineer
Sonya Shepherd, Accountant
Steve Stocking, Operations & Maintenance Manager
Shawn Draney, Snow, Christensen & Martineau
Tom Ward, Salt Lake City Public Utilities
Shane Pace, Sandy City Public Utilities
Chris Finlinson, Central Utah Water Conservancy District
Alan Packard, Jordan Valley Water Conservancy District
Michael Collins, Bowen Collins & Associates
Greg Loscher, Bowen Collins & Associates
Johnathan Ward, Zions Bank Public Finance
Jerry Nowlin, Wells Fargo Securities
Mark Edgley, Wells Fargo
Eric Hunter, Chapmen & Cutler

Work Session Agenda

1. Review proposed tentative budget
2. Terminal Reservoir Replacement Project update

Board Meeting Agenda

1. Call to order

Unapproved

2. Public comment
3. Finance Committee report:
    a. Consider approval of resolution 1849 authorizing the issuance of up to $100 million of water revenue refunding bonds and authorizing the execution and delivery of a Continuing Covenant Agreement and other instruments in connection the bonds; and related matters
    b. Consider adoption of the fiscal year 2012 tentative budget
    c. Reporting items.
4. Engineering Committee report:
    a. Consider approval of bid for HVAC project
    b. Consider approval of changes to chapter 16 of the District's Policies and Procedures
    c. Consider approval of fee waiver for Sandy City
    d. Reporting items
5. Consider approval of board meeting minutes dated March 21, 2011
6. Consider approval of board meeting minutes dated March 28, 2011
7. Consider acceptance of financial reports
8. Reporting/Scheduling items
9. Other Business
10. Items to be discussed at the next meeting
11. Closed session
12. Adjourn

Work Session

Review proposed tentative budget

Mr. Wilson reviewed the budget process. In anticipation of approving the tentative budget in the April board meeting, Mr. Wilson and staff provided an overview of the noteworthy aspects in the fiscal year 2012 budget. Staff has recommended accelerating the timing of the terminal reservoir replacement project. The budget would include bonding for terminal reservoir.

Terminal Reservoir Replacement Project update

Mr. Collins provided a history of the Terminal Reservoir and updated the board on the Replacement Project. The tentative budget shows the project starting in 2012 and finishing in 2018. Mr. Collins estimated the cost of the project to be $32.2 million. Accelerating the replacement is likely to save the District $7.0 million in construction costs.

Board Meeting

Call to order

At 4:36 p.m. the Chair called the meeting to order and welcomed board members, staff and guests.

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Public comment

The Chair invited any public comment. No public comment was made.

Consider approval of resolution 1849 authorizing the issuance of up to $100 million of water revenue refunding bonds and authorizing the execution and delivery of a Continuing Covenant Agreement and other instruments in connection the bonds; and related matters

Mr. Johnathan Ward and Mr. Eric Hunter reviewed the details of the continuing covenant agreement between the District and Wells Fargo Bank relating to the issuance of water revenue refunding bonds series 2011A. The District intends to use the proceeds of the Bonds to refund a portion of the District outstanding water revenue refunding bonds, Series 2008B-3 and Series 2009B-5.

Ms. Loveless motioned to approve resolution 1849 authorizing the issuance of up to $100 million of water revenue refunding bonds and authorizing the execution and delivery of a Continuing Covenant Agreement and other instruments in connection the bonds; and related matters; Mr. Buhler seconded the motion, and the motion passed unanimously upon roll call:

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

Consider adoption of the fiscal year 2012 tentative budget

The Finance Committee discussed the budget at its meeting on April 6, 2011. Discussion included specific details related to the capital budget items, debt service, pipe pigging (cleaning), solids removal, compensation, benefits, and other items.

Ms. Comarell motioned to approve the Fiscal Year 2012 tentative Budget; Mr. Godfrey seconded the motion, and the motion carried unanimously.

Consider approval of bid for HVAC project

The Engineering Committee met on April 11, 2011 prior to the bid opening of the HVAC project. The project status was discussed briefly and the Committee agreed that award of the contract should be approved by the Board of Trustees. Staff recommended approval of award of a construction contract to Chad Husband Construction, Inc. in the amount of $113,061.00 for the Little Cottonwood Water Treatment Plant HVAC Lab Area Improvements Project

unapproved

Mr. Milne moved to approve the bid for HVAC project to Chad Husband Construction, Inc. in the amount of $113,061.00; Ms. Comarell seconded the motion, and the motion passed unanimously.

Consider approval of changes to chapter 16 of the District's Policies and Procedures

The Engineering Committee had met and discussed, at three separate Engineering Committee meetings, changes to chapter 16 of the P&P. The committee voted favorably to the changes in chapter 16 of the P&P and recommended the changes to the full Board for approval.

Mr. Kapaloski moved to approve the changes to chapter 16 of the District's Policies and Procedures; Mr. Godfrey seconded the motion, and it passed unanimously.

Consider approval of fee waiver for Sandy City

Sandy City is replacing and upgrading an aged pipeline that carries storm water and irrigation water. This line pre-dated the Point of the Mountain Aqueduct (POMA). In addition, the District entered into a "Non-exclusive Pipeline Right-of-way and Easement Agreement" with Sandy City at the time POMA was constructed. Since the replacement pipeline pre-dated POMA and the fact that POMA was allowed in Sandy City streets pursuant to agreement, Sandy City is requesting that the fee be waived. The amount of the fee waiver is $2000.00 based on the current District fee schedule.

Mr. Milne moved to approve the fee waiver for Sandy City; Ms. Loveless seconded the motion, and the motion carried unanimously.

Consider approval of board meeting minutes dated March 21, 2011

Mr. Godfrey moved to approve the Board Meeting Minutes dated March 21, 2011; Ms. Comarell seconded the motion, and the motion passed unanimously.

Consider approval of board meeting minutes dated March 28, 2011

Mr. Milne moved to approve the Board Meeting Minutes dated March 28, 2011; Mr. Godfrey seconded the motion, and it carried unanimously.

Consider acceptance of financial reports

Ms. Comarell motioned to accept the March 2011 financial reports; Ms. Loveless seconded the motion, and the motion carried unanimously.

Reporting/Scheduling items

During Water Week, the District has scheduled an Open House at the Little Cottonwood Water Treatment Plant on Tuesday, May 3rd. The schedule of Salt Lake City and Sandy City water week events was distributed to board members.

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Other Business

Mr. Wilson and Mr. Draney provided an update on Mr. Sorf's appeal.

Adjourn

At 5:35 p.m. Mr. Kapaloski motioned to adjourn; Mr. Milne seconded the motion and the motion passed unanimously.

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Chair

_____
Secretary

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