

MONDAY, SEPTEMBER 19, 2011

Minutes of the 753rd meeting of the Metropolitan Water District of Salt Lake & Sandy

The Board Meeting of the Metropolitan Water District of Salt Lake & Sandy on Monday, September 19, 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
David L. Buhler	-Trustee

Excused:

Patricia Comarell	-Trustee
Kathy W. Loveless	-Trustee

Also present:

Michael Wilson, General Manager
Mike DeVries, IS Manager/Assistant General Manager
Annalee Munsey, Administrative Supervisor
Gardner Olson, Project Engineer
Sonya Shepherd, Accountant
Steve Stocking, Maintenance Manager
Cláudia Wheeler, Environmental Services Manager
Shawn Draney, Snow, Christensen & Martineau
Tom Ward, Salt Lake City Public Utilities
Shane Pace, Sandy City Public Utilities
Michael Collins, Bowen Collins & Associates
Greg Loscher, Bowen Collins & Associates
Mike Zuhl, R&R Partners
Jon Bronson, Zions Bank Public Finance
Eric Hunter, Chapman & Cutler
Alan Packard, Jordan Valley Water Conservancy District
Glen Perry, Alder Construction

Work Session Agenda

1. In lieu of its regularly scheduled work session, the Board of Trustees and District staff will be taking a tour of the Terminal Reservoir site. The regular board meeting will start at 4:30 PM.

Board Meeting Agenda

1. Call to order
2. Public comment
3. Intermountain Section AWWA award recipients
4. Consider approval of construction contract for Terminal Reservoir Replacement Project
5. Public hearing related to proposed issuance of bonds
6. Engineering Committee--reporting items
7. Management Advisory Committee--reporting items
8. Consider approval of board meeting minutes dated August 15, 2011
9. Consider acceptance of financial reports
10. Reporting/Scheduling items
11. Other Business
12. Items to be discussed at the next meeting
13. Closed session (if necessary)
14. Adjourn

Work Session

The Board of Trustees and District staff toured the Terminal Reservoir site.

Board Meeting

Call to order

At 4:40 p.m. the Chair called the meeting to order and welcomed board members, staff and guests. Ms. Loveless and Ms. Comarell were excused.

Public comment

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

Intermountain Section American Waterworks Association (AWWA) award recipients

One of the District's water system operators, Mr. Ron Payne, received the Utah Operator of the Year Award for Large Water Systems at the Intermountain Section AWWA Annual Conference. Ms. Wheeler also announced that the District won an award for source water protection. Ms. Wheeler won an award for her picture that was used for the cover of the Intermountain Section AWWA newsletter "From the Tap".

Mr. Kapaloski arrived at 4:43 p.m.

Consider approval of construction contract for Terminal Reservoir Replacement Project

Mr. Wilson provided an overview of the bid process as well as the bid results for the Terminal Reservoir Replacement Project. The low bid was submitted by Alder Construction.

The District has experience working with Alder Construction. Alder was the contractor for the Little Cottonwood Water Treatment On-Site Improvement Project and Expansion Project.

Mr. Michael Collins reviewed the plans and scheduling for the replacement project. He also discussed the financing and bonding schedule for the project. Mr. Wilson reviewed the project costs budgeted in the FY 2012 budget. The bids were higher than expected but the bidding climate is very good. Furthermore, the financial market is very favorable for bond financing.

Mr. Milne motioned to approve the construction contract for Terminal Reservoir Replacement Project to Alder Construction for \$36,684,000.00; Mr. Godfrey seconded the motion, and it carried unanimously.

Public hearing related to proposed issuance of bonds

The Chair opened the public hearing related to the proposed issuance of bonds and invited Mr. Eric Hunter to explain the purpose of the public hearing.

Mr. Hunter explained that the purpose of the public hearing is to receive input from the public with respect to the issuance of the Bonds and the potential impact that the improvements, facilities, and properties to be financed in whole or in part by the Bonds will have on the private sector. The District intends to issue the bonds for the purpose of financing the costs of construction of the Terminal Reservoir Replacement Project and related reservoirs, pipelines, pump stations, water tanks, treatment facilities and other improvements and paying costs of issuing the Bonds.

Mr. Jon Bronson reviewed the status of the financial market and rates for bonding. He also discussed the federal debt proposal which includes the elimination of the federal tax exemption status for municipal bonds.

The Chair invited any public comment and no comments were made. At 5:13 p.m., Mr. Buhler motioned to close the public hearing; Mr. Milne seconded the motion. The motion passed unanimously.

Engineering Committee

The Engineering Committee met to review the bid proposals for the Terminal Reservoir Replacement Project. The Chair referred the board members to the project reports in the board packet.

Management Advisory Committee

The Management Advisory Committee has scheduled a meeting for September 23 at 9:00 a.m. The committee also discussed the development of a Medicare policy for Medicare eligible District employees.

Consider approval of board meeting minutes dated August 15, 2011

Mr. Godfrey motioned to approve the Board Meeting Minutes dated August 15, 2011; Mr. Milne seconded the motion, and it carried unanimously.

Consider acceptance of financial reports

Mr. Buhler motioned to accept the July and August 2011 financial reports; Mr. Kapaloski seconded the motion, and the motion passed unanimously.

Reporting/Scheduling items

Mr. DeVries provided an overview of the two events that surrounded the damages to the Jordan Aqueduct. The District is sponsoring a Water Conservation Garden Fair at Sejo Lily Gardens on September 24 from 9:00 a.m. to 1:00 p.m.

Adjourn

The board meeting adjourned at 5:40 p.m.

Chair

Secretary