

MONDAY, AUGUST 15, 2011

Minutes of the 752nd meeting of the Metropolitan Water District of Salt Lake & Sandy

The Board Meeting of the Metropolitan Water District of Salt Lake & Sandy on Monday, August 15, 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
Patricia Comarell	-Trustee
David L. Buhler	-Trustee
Kathy W. Loveless	-Trustee

Also present:

Michael Wilson, General Manager
Annalee Munsey, Administrative Supervisor
Wayne Winsor, Engineering Manager
Sonya Shepherd, Accountant
Steve Stocking, Maintenance Manager
Iwona Goodley, Environmental Services Specialist I
Eric Sorensen, Environmental Services Specialist II
Darin Klemin, Systems Administrator
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
Michael Collins, Bowen Collins & Associates
Mike Zuhl, R&R Partners
Johnathan Ward, Zions Bank Public Finance
Preston Kirk, George K. Baum & Co.
Eric Hunter, Chapman & Cutler

Work Session Agenda

1. Discuss Emergency Response Plan
2. Discuss recent Supreme Court rulings
3. Other

Board Meeting Agenda

1. Call to order

2. Public comment
3. Finance Committee
 - a. Consider approval of resolution 1852 authorizing the issuance of up to \$15 million of water revenue bonds; and related matters
 - b. Reporting items
4. Consider approval of board meeting minutes dated June 20, 2011
5. Consider acceptance of financial reports
6. Reporting/Scheduling items
7. Other Business
8. Items to be discussed at the next meeting
9. Closed session
10. Adjourn

Work Session

Discuss Emergency Response Plan

Mr. Wilson provided an overview of the District's Emergency Response Plan. The plan was updated by Ms. Goodly in the Environmental Services department and reviewed by District management. The Emergency Response Plan is intended for internal use; however, it can be used as a resource for emergency personnel. The plan is dynamic and will be updated as needed. The board discussed communicating with the media during an emergency situation.

Discuss recent Supreme Court rulings

Mr. Draney discussed two recent Supreme Court rulings. In *Jensen vs. Jones* (Kent Jones, Utah State Engineer) the ruling involved a challenge to the state engineer's authority to declare forfeiture of a water right as the basis for denying a change application. The Supreme Court's opinion is that the state engineer lacks authority to declare a water right forfeited in reviewing a change application. The ruling of *Salt Lake City Corp vs. Big Ditch Irrigation Co.*, involved a water rights dispute. The Supreme Court allowed the irrigation company to issue a change application on the perpetual contractual right to water. The District is concerned that the United States not be allowed to unilaterally file a change application without the signature of a water users association.

Other

No other business was discussed.

Board Meeting

Call to order

At 4:44 p.m. the Chair called the meeting to order and welcomed board members, staff and guests.

Public comment

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

Consider approval resolution 1852 authorizing the issuance of up to \$15 million of water revenue bonds; and related matters

Mr. Winsor reviewed the timing for the terminal reservoir replacement project. Bids will be received on September 14, 2011 and the notice to proceed will be given on October 3, 2011.

Mr. Johnathan Ward updated the board on the calendar of events regarding the bonding and refinancing.

Mr. Milne motioned to approve Resolution 1852 authorizing the issuance of up to \$15 million of water revenue bonds; and related matters; Ms. Comarell seconded the motion, and the motion carried unanimously upon roll call:

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

Finance Committee

The Finance Committee met on August 4, 2011 and they received and reviewed the April through June 2011 quarterly check register, visa statement, and all electronic payments. The Committee also reviewed the quarterly investment report as of June 30, 2011.

Consider approval of board meeting minutes dated June 20, 2011

Mr. Milne motioned to approve the Board Meeting Minutes dated June 20, 2011 with changes noted; Ms. Loveless seconded the motion, and it carried unanimously.

Consider acceptance of financial reports

The board requested the auditors review the transferring of fixed assets. Staff will provide documentation of the disposal of fixed assets.

Ms. Loveless motioned to accept the June 2011 financial reports; Mr. Godfrey seconded the motion, and the motion carried unanimously.

Mr. Buhler was excused at 5:30 p.m.

Reporting/Scheduling items

The Chair referred the board members to the August capital project report, survey project report, and license program report in the board packet.

Other Business

Mr. Wilson reported that Redevelopment Agency of Salt Lake City has contacted the District regarding the North Temple Project Area Plan. Mr. Wilson recommended addressing the RDA during the Management Advisory Committee meeting on August 29th. The Provo River Water Users Association annual tour is scheduled for September 22nd and board members were invited to attend.

Closed session

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

Mr. Milne was excused at 6:08 p.m.

Mr. Godfrey moved to go out of closed session; Mr. Kapaloski seconded the motion and it carried unanimously.

Ms. Comarell motioned to authorize legal counsel and the general manager to strategize regarding the UDOT exchange of property; Mr. Kapaloski seconded the motion and it was approved unanimously.

Adjourn

The board meeting adjourned at 6:20 p.m.

Chair

Secretary