

## MONDAY, JANUARY 28, 2019

Minutes of the 830<sup>th</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, January 28, 2019 began at 4:35 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
John H. Mabey, Jr.	-Trustee

Excused:

Arthur D Hunter	- Trustee
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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  
Gardner Olson, Engineer I  
Eric Sorensen, Environmental Services Specialist  
Josh Croft, Accountant  
Dan Hartman, Hartman Management Group  
Shawn Draney, Snow Christensen & Martineau  
Keith Denos, Provo River Water Users Association  
Korey Walsh, Stantec  
Chris Finlinson, Central Utah Water Conservancy District  
Mike Wilson, CRS Engineers  
Bruce Blanchard

### **Closed Session Agenda**

1. Pending or reasonably imminent litigation
2. Purchase or sale of real property
3. Deployment of security personnel, devices, or systems

## **Board Meeting Agenda**

1. Call to order
2. Public comment
3. Legislative update
4. Consider approval of Utah State University water audits program for 2019
5. Consider approval of Resolution 1897 approving entry into an Interlocal Agreement for the Provo River Watershed Council
6. Consider approval of property acquisition
7. Consider award of ultrasonic flow meter supplier contract
8. Consider approval of ultrasonic flow meter purchase
9. Executive Committee report
  - a. Consider approval of Resolution 1898 for proxy for Provo River Water Users Association annual meeting
  - b. Consider approval of acquisition of 200 shares of Provo River Water Users Association stock
  - c. Consider Clerk appointment
  - d. Reporting items
10. Consider approval of Board Meeting minutes dated December 10, 2018
11. Consider acceptance of financial reports
12. Reporting/Scheduling items
  - a. Water supply update
  - b. Quarterly check register, electronic payments, and credit card expenditures reports provided to Finance Committee for review
  - c. 2018 CRWUA Annual Conference report
13. Other business
14. Items to be discussed at future meetings
15. Adjourn

## **Closed Session**

### **Closed Session**

Mr. Draney deemed it appropriate to go into closed session to discuss pending or reasonably imminent litigation, to discuss the purchase or sale of real property, and deployment of security personnel, devices, or systems. Ms. Cromer motioned to go into closed session; Ms. Degiorgio seconded the motion and it carried unanimously. Mr. Hunter was excused. All other board members were present along with the following staff: Mr. DeVries, Mr. Winsor, Ms. Munsey, Mr. Draney, Mr. Bowles, and Mr. Nicholes.

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

## **Board Meeting**

### **Call to order**

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

### **Public comment**

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

### **Legislative update**

Mr. Hartman gave an update on the progress that was made during the interim session work groups. Mr. Hartman reported that the legislation was being written as it was proposed by the interim session work groups and the efforts of the work groups seem to be a great benefit. Other areas of focus for the legislative session are: the cost of water conservation, watershed councils, water banking, federal designations, and property tax.

### **Consider approval of Utah State University water audits program for 2019**

The board discussed the Utah State University water audit contract during the December board meeting and requested additional information regarding the increased costs in 2018. A copy of the 2018 Water Check Program Report was included in the board packet. In 2018 there was a shift to more institutional checks and larger property sizes which contributed to higher than normal program costs. The nature of institutional checks requires more time and personnel on the ground.

Mr. Milne motioned to approve the Utah State University water audits program; Ms. Comarell seconded the motion and it carried unanimously.

### **Consider approval of Resolution 1897 approving entry into an Interlocal Agreement for the Provo River Watershed Council**

The water quality of the Provo River watershed and other related drainages is of critical importance to the District. In recent years, close scrutiny of the PRWC agreement form and work plan raised concern to staff and legal counsel of the District resulting in the District changing its participation from funding member to non-funding stakeholder. The PRWC made changes to the work plan that led to the District reengaging as a funding member. In the August 13, 2018 board meeting, the board approved the District rejoining the PRWC as a funding and voting member. Concerns remained in regards to the Interlocal Agreement (ILA) establishing the PRWC. Since that time, the District has worked with the PRWC to revise the ILA. A Restated and Amended ILA was approved by the PRWC governing board on January 7, 2019. The ILA requires approval of the District's board followed by signature of the General Manager and General Counsel. The Environmental Committee discussed this item at its meetings on November 29, 2017, January 23, 2018, and April 3, 2018. The board discussed reviewing the annual Provo River Watershed Council Plan. The other agencies are in the process of receiving approval of the ILA from their respective boards.

Mr. Mabey motioned to approve Resolution 1897 approving entry into an Interlocal Agreement for the Provo River Watershed Council; Ms. Degiorgio seconded the motion and it carried unanimously.

### **Consider approval of property acquisition**

Mr. DeVries reviewed the efforts to develop a purchase agreement with the University of Utah for property along the Salt Lake Aqueduct right of way. The Engineering Committee discussed the property acquisition during the May 1, 2018 committee meeting. The board also discussed this item at the May 21, 2018 board meeting and recommended staff seek acquisition of the property from the University. The final negotiated amount would be brought back to the board for approval. Staff recommended board ratification of the purchase and sale agreement in the amount of \$85,000. Additionally, staff recommended that the Board authorize the General Manager and General Counsel to finalize the transaction, including a transfer of \$85,000 from Unassigned Reserves to fund the purchase.

Mr. Milne motioned to approve the property acquisition in the amount of \$85,000; Ms. Degiorgio seconded the motion and it carried unanimously.

### **Consider award of ultrasonic flow meter supplier contract**

Mr. Winsor reviewed the purpose for the ultrasonic flow meter supplier contract. The District has 14 ultrasonic flow meters which provide critical flow measurement for chemical feed and billing purposes. These meters are reaching the end of their service life. Staff desires to replace all ultrasonic flow meters over the next three calendar years (four fiscal years). For ease of maintenance, including technical support and spare parts, staff desires to standardize on a manufacturer and supplier for this replacement schedule. Request for proposals were received from four suppliers. The selection evaluated the selection criteria and recommended awarding the three-year contract (1/1/19 to 1/1/22) to Flow Meter Services.

Mr. Milne motioned to approve the ultrasonic flow meter supplier contract to Flow Meter Services; Ms. Cromer seconded the motion. The motion carried unanimously.

### **Consider approval of ultrasonic flow meter purchase**

Staff identified three ultrasonic flow meters that need to be replaced in fiscal year 2019. The budget for this procurement is \$64,000. Staff recommends award of \$63,440.00 to Flow Meter Services for ultrasonic flow meters including consoles, transducers, installation and shipping.

Mr. Milne motioned to approve the purchase of ultrasonic flow meters in the amount of \$63,440; Ms. Comarell seconded the motion. The motion carried unanimously.

### **Consider approval of Resolution 1898 for proxy for Provo River Water Users Association annual meeting.**

Resolution 1898 outlines the board members that would serve as directors for the Provo River Water Users Association. There are two new appointees. The resolution proposes that Mr. John Kirkham replace Mr. Art Hunter as a director for the Provo River Water Users Association. It also proposes that Ms. Comarell replace Mr. Jeff Niermeyer as the at large director of the Association.

Ms. Degiorgio motioned to approve Resolution 1898 for proxy for Provo River Water Users Association annual meeting; Ms. Cromer seconded the motion and it carried unanimously.

### **Consider approval of acquisition of 200 shares of Provo River Water Users Association stock**

Mr. DeVries informed the board members that Victory Ranch has offered to sell 200 shares of Provo River Water Users Association stock to the District. The District has made an offer for the shares and the offer has been accepted by Victory Ranch.

Ms. Degiorgio motioned to approve the acquisition of 200 shares of the Provo River Water Users Association stock not to exceed \$17,500 per share. Additionally the board authorizes the General Manager and General Counsel to finalize the transaction, including: the development and execution of a purchase agreement; and the transfer of \$3,500,000 from Unassigned Reserves to fund the purchase; Mr. Milne seconded the motion and it carried unanimously.

### **Consider Clerk appointment**

Ms. Annalee Munsey currently serves as the District Clerk. She has served in this capacity since September, 2010. She was promoted to Assistant General Manager last year, but with her ongoing Clerk responsibilities, is unable to assist the Treasurer (currently the General Manager) with any Treasurer related duties due to internal control requirements. In an effort to promote succession planning and to provide a backup resource for the Treasurer/General Manager, it is proposed that the board appoint Ms. Sonya Shepherd to perform the duties of Clerk as outlined by state laws and the District Policies and Procedures.

Mr. Milne motioned to appoint Ms. Sonya Shepherd to the Clerk position; Ms. Comarell seconded the motion. The motion carried unanimously.

### **Consider approval of Board Meeting minutes dated December 10, 2018**

Ms. Cromer motioned to approve Board Meeting minutes dated December 10, 2018; Ms. Degiorgio seconded the motion. The motion carried unanimously.

### **Consider acceptance of financial reports**

Mr. Mabey motioned to accept the October and November 2018 financial reports; Mr. Milne seconded the motion. The motion carried unanimously.

**Reporting/Scheduling items**

Mr. DeVries invited Mr. Tietje to provide an update on the water supply and health of the watershed. The overall snowpack levels and watershed is in good condition due to three substantial storms.

Mr. Godfrey reported that the Finance Committee received the quarterly check register, electronic payments, and credit card expenditures reports.

Mr. Godfrey gave a brief report on the Colorado River Water Users Association Annual Conference.

**Other business**

No other business was discussed.

**Adjourn**

At 5:28 p.m. the board meeting adjourned.

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Chair

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Secretary