

**MINUTES OF THE MEETING OF THE
KEARNS IMPROVEMENT DISTRICT (KID) BOARD OF TRUSTEES
HELD MAY 9, 2023 AT THE DISTRICT OFFICE
LOCATED AT 5350 WEST 5400 SOUTH, KEARNS, UTAH**

Trustees Present:

Cheryle A. Hatch
Jeff Monson
Gregory R. Christensen

Staff Present:

Greg Anderson	General Manager/CEO
Riley Astill (via internet)	Finance Director/Controller
Mark H. Anderson	Attorney
Jamie Banh	Executive Administrative Assistant
John Lawson	Engineering Specialist

Others Present:

Jonathon Horton	APCO, Inc.
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Call to Order:

Chair Hatch called the meeting to order at 5:30 p.m. and welcomed all those present. The invocation was offered by Jeff Monson and the pledge of allegiance was led by Greg Christensen.

Public Comments:

There were no public comments.

Approval of Minutes (Regular Meeting, April 11, 2023):

None of the Trustees having any questions or concerns regarding the April 11, 2023 Board meeting minutes, a copy of which was included in the Board Book, it was moved by Trustee Christensen and seconded by Trustee Monson as follows:

That the minutes of the April 11, 2023 regular Board meeting be approved as presented.

The motion carried with Trustees Hatch, Christensen, and Monson each voting in the affirmative.

Board Training – “The New SCADA System”:

John Lawson provided an in-depth overview of the District’s new SCADA System, stressing its functionality and value to the District. He used a slideshow to augment and illustrate the presentation as he explained how the System can be used to monitor the District’s pump stations, reservoirs, etc. There was a recent, very positive, two-day training for the District’s staff, and Bracken Hansen is receiving training as a backup technician for the SCADA System. Jonathon Horton, who is a SCADA system consultant, operated a laptop computer for the PowerPoint slideshow that was part of Mr. Lawson’s presentation. Mr. Lawson responded to questions during a back and forth discussion and Greg Anderson and Jonathon Horton provided supplementary information. Mr. Lawson declared that the District has a great SCADA System and Mr. Horton praised John Lawson and the entire KID staff.

Consider General Manager’s Report (including the Administrative/Financial Report and the Public Works Report):

Greg Andersen reviewed his monthly Report, a copy of which was included in the Board Book. Among other things, he reported that the Unified Fire Department has provided emergency preparedness training to KID’s staff; detailed how helpful Congressman Burgess Owens and his staff have been in making federal funding available to KID and the Central Valley Water Reclamation Facility, of which KID an approximately 10% owner (the federal funding will save KID’s customers hundreds of thousands of dollars); reviewed a link to KID’s website that explains how property taxes are used by KID (a copy of the linked material was included in the Board Book) that was requested by the County Auditor; reported that KID’s lead and copper informational films and clips have been posted on the KID website and announcements were sent out on Facebook; mentioned the 4.8% wholesale water rate increase that will apply to KID’s water purchases from the Jordan Valley Water Conservancy District effective July 1st; explained how the trans-basin diversion of water from the Green River drainage to the Wasatch Front by the Central Utah Water Conservancy District is benefitting the Great Salt Lake; reported that work on the final portion of the 4460 West Waterline Replacement Project is now underway; reported on the relocation of the 4700 South sewer outfall line; announced a \$100,000 Lead and Copper Rule Grant from the Division of Drinking Water; reported on other grants that are being sought by the District; and reviewed efforts, in conjunction with the Utah Division of Drinking Water (“DDW”) and the Jordan Valley Water Conservancy District, to comply with State requirements regarding the receipt, storage, pumping, and delivery of water to KID customers and changes in DDW’s standards.

Mr. Astill reviewed his Administrative/Financial Report, a copy of which was included in the Board Book, and declared that March was a “good month” for the District from a fiscal standpoint, with operating revenues exceeding the budgeted amount by almost \$100,000 and operating expenses that were approximately \$136,000 less than the budgeted amount. He also reviewed very positive year-to-date financial numbers; reported that the first quarter “transparency” submission to the Utah State Auditor has been completed; and reported on the status of the District’s independent 2022 audit. Greg Anderson noted that, compared to last year, April water purchases from the Jordan Valley Water Conservancy District were down by 8%.

In James Woodruff's excused absence, Greg Anderson presented and reviewed the April 2023 Public Works Report, a copy of which was included in the Board Book. Among other things, he reviewed the KID Great Stakeout Exercise, which resulted in a discussion regarding the preparation of an emergency fiscal policy that would authorize the General Manager or a designee of the General Manager to spend money that hasn't been budgeted in response to an emergency if management is not able to contact a majority of the Trustees to obtain their permission before spending the money. Such a policy may be prepared and submitted to the Trustees for consideration. Mr. Anderson also reviewed the status of the District's current construction projects, including the installation of a new fuel station, the 4700 South Outfall Sewer Line, and the Zone D Water Loop Project. He also reviewed development activities within the District, including a Shiny Shell Car Wash and a Loco Burger restaurant. He reported that the first phase of the Wood Ranch development is underway, and the Sky Ranch development is now in its second phase.

Consider Check Register:

Riley Astill responded to questions from Trustee Monson regarding an accident, the payment for which was included in the monthly Check Register, involving a District truck and an automobile. Mr. Astill and Greg Anderson explained that the accident was the result of ice on a hill. The truck slid on the ice, with no possibility of stopping. Following the discussion, it was moved by Trustee Christensen and seconded by Trustee Monson as follows:

That the March 2023 Check Register (which is a list of all expenditures made during the month) be ratified and approved as presented.

The motion carried with Trustees Hatch, Christensen, and Monson each voting in the affirmative.

Consider Financial Report:

Mr. Astill reviewed the monthly Financial Report, which consists of a series of individual reports, including the Statement of Net Position, the Statement of Revenues & Expenses, and the Administrative Service Report, a copy of which was included in the Board Book. Among other things, Mr. Astill explained that most of the District's current assets consist of cash in interest bearing accounts, and he responded to a series of questions from Trustee Monson. Regarding the Investment/Reserves Report, Mr. Astill explained that the Public Treasurers Investment Fund ("PTIF") managed by the State Treasurer invests in short term (30, 60, and 90 day) securities, whereas Morton Asset Investment takes a more long-term view with an average "sweet spot" investment term of 2.2 years. Currently, the PTIF return is higher than the Morton Asset Investment return, but, over time, the Morton Asset Investment account has yielded higher returns for the District. Regarding the Administrative Service Report, Mr. Astill responded to a series of questions from Trustee Hatch regarding Autopay. Mr. Astill concluded his Report by declaring that the crew Mark Kelly and Craig Fjeldstrom put together to replace outdated water meters has been "hitting it hard", replacing 858 meters during the month of April. While the water meter replacement crew was working in West Jordan, the West Jordan Mayor visited the work site.

Consider Training Requests:

There were no training requests to be considered by the Board.

Consider Purchases/Costs Over \$50,000:

Greg Anderson reviewed a Memorandum prepared by James Woodruff, which was included in the Board Book, recommending that Progress Payment #5 from Whitaker Construction Co., Inc. for work on the 4077 South Outfall Sewer Line be approved for payment in the requested amount of \$1,459,561.92, less a 5% retention of \$72,978.10, yielding a net payment amount of \$1,386,583.82.

Following Mr. Anderson's explanation, it was moved by Trustee Christensen and seconded by Trustee Monson as follows:

That a progress payment to Whitaker Construction Co., Inc. be approved in the net amount of \$1,386,583.82 for work on the 4700 South Outfall Sewer Line.

The motion carried with Trustees Hatch, Christensen, and Monson each voting in the affirmative.

Greg Anderson then reviewed a Memorandum from Mr. Woodruff, a copy of which was also included in the Board Book, recommending that a payment of \$223,448.25, less a 5% retention of \$6,533.13, for a net payment of \$216,915.12, be approved for work on the Zone D Loop Waterline that has been completed by Noland & Son Construction Co., Inc.

It was moved by Trustee Monson and seconded by Trustee Christensen as follows:

That a Zone D Loop Waterline progress payment to Noland & Son Construction Co., Inc. be approved in the amount of \$216,915.12.

The motion carried with Trustees Hatch, Christensen, and Monson each voting in the affirmative.

Consider Bond Releases/Reductions:

There were no bond releases or reductions to be considered by the Board.

Consider Providing Sewer Service to 5950 West 4700 South Property Located within the GHID Service Boundaries:

Greg Anderson reviewed a property owner request that has been received asking KID to provide sewer service to a proposed office/warehouse development located at approximately 5950 West 4700 South in West Valley City, which is outside the KID service area boundary and is in the Granger Hunter Improvement District ("GHID") service area. A copy of the property owner's request, and a letter from the Granger Hunter Improvement District indicating that GHID does not have the infrastructure to provide sanitary sewer service to the area at this time and suggesting that

KID be contacted about providing sewer service were included in the Board Book. Many years ago, KID and GHID entered into an Interlocal Agreement that allows KID to provide the requested service under these circumstances. GHID will provide culinary water service to the development.

After Greg Anderson responded to questions from Trustee Monson, it was moved by Trustee Christensen and seconded by Trustee Monson as follows:

That the request for KID to provide sanitary sewer service to the designated parcel, located on the north side of 4700 South in West Valley City (a 2.87 acre parcel) within the Granger Hunter Improvement District, be approved.

The motion carried with Trustees Hatch, Christensen, and Monson each voting in the affirmative.

Consider Resolution 2023-05-01 – 4700 South Kearns Reimbursement Agreement with Utah Transit Authority:

Greg Anderson explained that the Utah Transit Authority (“UTA”) has decided to build a Bus Rapid Transit Corridor down the center of 4700 South directly over KID’s 4700 South designed and under construction sewer outfall line. UTA approached KID with a request that KID redesign its outfall line to a new alignment to avoid the intended Bus Rapid Transit Corridor and that KID’s contractor install the outfall line in the new alignment, with UTA to pay the additional design fees and construction costs. A copy of the proposed 4700 South Sewer Reimbursement Agreement, along with a copy of Resolution No. 2023-05-01, were included in the Board Book.

It was moved by Trustee Christensen and seconded by Trustee Monson as follows:

That Resolution No. 2023-05-01 be adopted, thereby approving the Reimbursement Agreement between the Kearns Improvement District and the Utah Transit Authority, and that the General Manager and KID’s legal counsel be authorized to make minor changes, fill in blanks, and attach the Exhibits to the Agreement before it is signed.

The motion carried with Trustees Hatch, Christensen, and Monson each voting in the affirmative.

Central Valley Water Reclamation Facility:

Trustee Monson, who is KID’s representative on the Central Valley Board, reviewed highlights from the April 20, 2023 Central Valley Board meeting agenda, a copy of which was included in the Board Book. In particular, he noted that there will be a tour of Central Valley’s facilities on May 24, 2023, after the Central Valley Board meeting; reported that the Central Valley Operations Challenge Team recently competed against other sewer system operation teams in St. George; and discussed Central Valley’s capital projects, including the Side-Stream Phosphorus Removal Project that will help Central Valley meet phosphorus removal requirements. He noted that a couple of trickling filters are being removed to make room for the Side-Stream Phosphorus Removal Project, which is presenting some challenges. Trustee Monson stated that Central Valley’s costs are increasing and declared that available grant money is very helpful.

Congressman Stewart's office has been contacted regarding providing assistance in obtaining federal grants, but has not yet responded. Trustee Monson noted that Central Valley appreciates Greg Anderson's assistance with grant applications. Central Valley is taking a hard look at how its reserve funds should be managed. Finally, Trustee Monson stated that Central Valley's Flood Mitigation Report generally looks good. However, it was discovered that one ramp does not have enough capacity, which is being addressed. Over-all, he described Central Valley as "doing well".

Jordan Valley Water Conservancy District:

A copy of the May 10, 2023 public hearing/board meeting agenda of the Jordan Valley Water Conservancy District Board of Trustees was included in the Board Book. The meeting having not yet been held, Trustee Christensen had very little on which to report, other than to note that the Jordan Valley Board most likely will approve a 9% property tax rate increase.

Utah Association of Special Districts:

A copy of the agenda for the UASD Board meeting held on May 4, 2023 was included in the Board Book. Greg Anderson, who is a member of that Board, noted that Associate UASD Board Member Nathan Bracken led a discussion regarding the impact the recently completed Legislative Session is having on the Unified Police Department, which must either disband or be reorganized without the County Sheriff at its head. He noted that the Kearns Metro Township Council and the Magna Metro Township Council are considering reorganizing as cities as a proactive response to possible legislation that could be disadvantageous to metro townships. Mr. Anderson also discussed cyber security concerns raised by legislation that requires all governmental entities to switch to ".gov" internet websites. According to Utah Transit Authority officials, changing the signage on UTA buses, trains, and facilities could cost upwards of \$50,000,000. The legislation will have a less expensive, but nonetheless significant, impact on other districts and units of local government.

Kearns Metro Township Council:

A copy of the Kearns Metro Township Council May 8, 2023 meeting agenda was distributed to those in attendance. Trustee Hatch, who attended the meeting, reported that Greg Anderson did a good job sharing information regarding the Kearns Improvement District with the Metro Township Council; Renee Plant, representing the Wasatch Front Waste and Recycling District, discussed public use of the garbage dump; Lieutenant Chambers, with the Unified Police Department, discussed changing the name of the "Night Out Against Crime" activity; upcoming community activities were discussed; a bump in the road and storm drains in 6200 South were addressed; ranked choice voting in the upcoming Kearns Metro Township Council election was discussed; and a special Metro Township Council meeting may be held to consider a hotel that may locate in Kearns.

Kearns Community Council:

A copy of the May 2, 2023 Kearns Community Council public meeting agenda was included in the Board Book. Trustee Monson was able to attend the first portion of the meeting.

As a humorous aside, he noted that UPD (Unified Police Department) Chief Levi Hughes, while driving an unmarked vehicle in the community, was reported to police as a “suspicious vehicle”. Chief Hughes reported to the Community Council that four new resource officers are being sought and that service calls this year are down in Kearns due to the positive impact of community policing. Among other reports, the Council heard a report from Jeff Monson regarding the Kearns Improvement District and the Kearns Oquirrh Park Fitness Center (he serves on both Boards), and a report from a representative of the Kearns Library, where the “chicks hatch” display is a big hit with kids and efforts are underway to facilitate telehealth options and operations.

Chamber West – Legislative Committee:

A copy of the May 4, 2023 Chamber West Legislative Affairs Committee meeting agenda was included in the Board Book. Greg Anderson stated that the Committee met with a number of local legislators regarding interim legislation that may be discussed over the upcoming months. Greg Anderson has been selected to continue to Chair the Water Committee, and has been asked to present a water conservation message to the Committee next October.

Trustee Per Diem Report:

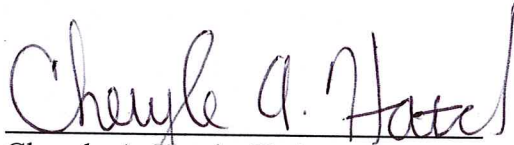
Jamie Banh explained that the Trustee Per Diem Report, a copy of which was included in the Board Book, has been updated.

Adjourn:

There being no further business to come before the Board, Chair Hatch declared the meeting to be adjourned at 8:00 p.m.

Approved by the Board of Trustees of the Kearns Improvement District on the 6th day of June, 2023.

Date: June 6, 2023


Cheryle A. Hatch, Chair

Date: JUNE 6, 2023


Gregory R. Christensen, Vice Chair

Date: 6 June 2023


Jeff Monson, Board Clerk