

**MINUTES OF THE MEETING OF THE
KEARNS IMPROVEMENT DISTRICT (KID) BOARD OF TRUSTEES
HELD JANUARY 10, 2023 AT THE DISTRICT OFFICE
LOCATED AT 5350 WEST 5400 SOUTH, KEARNS, UTAH**

Trustees Present:

Cheryle A. Hatch
Gregory R. Christensen
Jeff Monson

Staff Present:

Greg Anderson	General Manager/CEO
Riley Astill	Finance Director/Controller
James "Woody" Woodruff	Public Works Director/Engineer
Mark H. Anderson	Attorney
Jamie Banh	Executive Administrative Assistant
Robert Lutz	Operations Manager

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 Greg Anderson and the pledge of allegiance was led by Greg Christensen.

Public Comments:

There were no public comments.

Approval of Minutes (Regular Meeting, December 13, 2022):

None of the Trustees having any questions regarding the December 13, 2022 Board meeting minutes, a copy of which was included in the Board Book, it was moved by Trustee Monson and seconded by Trustee Christensen as follows:

That the minutes of the December 13, 2022 regular Board meeting be approved as presented.

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

Board Training – What is involved in Fleet Management:

Robert Lutz presented a training session concerning the management of KID's fleet of vehicles, going into details and responding to questions from the Trustees. When he concluded, the Trustees expressed their appreciation for the presentation and everything Mr. Lutz does for the District.

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

A copy of Greg Anderson's written monthly report was included in the Board Book. Mr. Anderson highlighted portions of the report and responded to questions from the Trustees.

Riley Astill reviewed his monthly Finance Report, a copy of which was included in the Board Book. Among other things, he reviewed District's property, liability, auto, cyber and workers compensation insurance, which recently was renewed at an annual premium of \$136,591.00, which is a \$22,117.00 increase over the 2022 premium. Of that increase, \$17,842.00 was due to adding properties to the policy and \$4,275.00 was due to rate increases which, overall, was a 3.74% increase. Mr. Astill explained the "blended" premium rate and declared that he felt "pretty good" about the coverage and the premium cost. Mr. Astill and Greg Anderson pointed out that KID was right on target regarding wholesale water purchases from the Jordan Valley Water Conservancy District, noting that the months of September and October were the hottest in recorded history. Finally, Mr. Astill reviewed a flier that will go out to the District's customers with their monthly billings, and responded to questions from Chair Hatch. The Trustees liked the concise format of the notice.

James Woodruff then covered his Public Works Report for December, 2022, a copy of which was included in the Board Book, reviewing the District's various infrastructure construction projects and maintenance and replacement activities. During his presentation, Mr. Woodruff responded to questions from the Trustees, noting that only minimal water losses have been experienced due to water line breaks because the KID crew has consistently responded very quickly.

Consider Check Register:

A copy of the November 2022 Check Register, which is a list of all District expenditures made during the month, was included in the Board Book. Following a review of the Check Register, it was moved by Trustee Monson and seconded by Trustee Christensen as follows:

That the November 2022 Check Register be ratified and approved, with a date correction at the top of each page.

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

Consider Financial Report:

A copy of the monthly Financial Report, which consists of a series of individual reports including the Statement of Net Position, the Statement of Revenues & Expenses, the Investment/Reserves Report, and the Customer Service Report, was included in the Board Book. Mr. Astill reviewed highlights from the various reports, including a discussion of the District's reserve funds reflected in the Investment/Reserves Report, and the Connection & Population Report dealing with the low per capita water use within the District, which is impressive.

Consider Training Requests:

Four training requests were presented for Board consideration, starting with the Rural Water Association of Utah (RWAU) Conference that will be held in St. George, Utah between February 28 and March 3 of this year. A Conference schedule was included in the Board Book. Greg Anderson recommended that as many Trustees as desire to attend and two staff members be authorized to attend the RWAU Conference. Chair Hatch and Trustee Monson each indicated that they will not attend the Conference.

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

That one Trustee and two staff members be authorized to attend the Rural Water Association of Utah Conference in St. George, Utah between March 1 and March 3, 2023.

After it was noted that the Conference start date is February 28, Trustee Monson moved to amend the original motion, and Trustee Christensen seconded the amendment, as follows:

That one Trustee and two staff members be authorized to attend the Rural Water Association of Utah Conference in St. George, Utah between February 28 and March 3, 2023.

The motion, as amended, passed with Trustees Hatch, Christensen, and Monson each voting in the affirmative.

Greg Anderson recommended that one staff member (the District's in-house engineer, James Woodruff) be authorized to attend the Utah City Engineers Association Winter Conference to be held in St. George, Utah between January 25 and January 27, 2023. A copy of the schedule for the three day Conference was included in the Board Book.

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

That one staff member be authorized to attend the 2023 Utah City Engineers Association Winter Conference at District expense.

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

The agenda for the annual Esri (GIS) (Geographic Information System) Conference, which will be held from July 10 through July 14, 2023 in San Diego, California, was included in the Board Book. Greg Anderson stated that it essentially is a GIS school, and recommended that two KID staff members be authorized to participate in this training opportunity. It was moved by Trustee Monson and seconded by Trustee Christensen as follows:

That two KID staff members be authorized to attend the Esri User Conference in San Diego, California between July 10 and July 14, 2023, at District expense.

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

Finally, information about the Annual Spring Conference of the Utah Government Finance Officers Association, which will be held in St. George, Utah between April 12 and April 14, 2023, was included in the Board Book. Greg Anderson recommended that two staff members (Riley Astill and Craig Fjelstrom) be authorized to attend the Conference.

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

That two staff members be authorized to attend the Utah Government Finance Officers Association 2023 Annual Spring Conference from April 12 through April 14, 2023, at District expense.

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

Consider Purchases/Costs Over \$50,000:

A Memorandum prepared by Mr. Woodruff and supporting documentation regarding a progress payment for work on the Zone D Loop Waterline were included in the Board Book. Mr. Woodruff recommended that a payment (Contractor's Application for Payment No. 3) be approved for Noland & Son Construction Co., Inc. in the amount of \$108,396.78, less a 5% retention of \$5,419.84, for a net payment due of \$102,976.94, which represents 33% of the contract.

The Trustees not having any questions, it was moved by Trustee Monson and seconded by Trustee Christensen as follows:

That a payment to Noland & Son Construction Co. be approved in the amount of \$102,976.94 for work on the Zone D Loop Waterline.

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

Mr. Woodruff reviewed a payment request from Bowen Collins & Associates (Invoice No. 30170) for work on the SCADA Upgrade Project in the amount of \$233,562.01. Mr. Woodruff recommended approval of the payment request, noting that the Contract is about 71% complete. In response to a question from Trustee Christensen, Mr. Woodruff stated that cellular service will be part of the SCADA Upgrade. Greg Anderson explained that a dead zone in the District prevented the use of a radio system as part of the SCADA Upgrade.

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

That a payment to Bowen Collins & Associates for work on the SCADA Upgrade Project be approved in the amount of \$233,562.01.

The motion carried with Trustees Hatch, Christensen, and Monson each voting in the affirmative. A Memorandum from Mr. Woodruff and the Invoice from Bowen Collins & Associates were included in the Board Book.

Mr. Woodruff reviewed a Memorandum dealing with restocking inventory, consisting of clamps, couplings, rings, PVC and ductile water line pipe, tees, fittings and related items. Price quotations were received from Mountainland Supply, Core & Main, and Ferguson Waterworks,

with Mountainland Supply presenting the lowest cost quote of \$57,907.26. In response to a question from Trustee Christensen, Mr. Woodruff and Greg Anderson explained that the supplies consist mostly of fittings, but some pipe is included, noting that pipe prices have stabilized.

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

That the purchase of restocking inventory from Mountainland Supply be approved as presented at a total cost of \$57,907.26.

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

Finally, an Invoice from Olympus Insurance Company (Invoice No. 16383), together with a Pre Approval Form and a Memorandum from Riley Astill recommending approval of the payment, was included in the Board Book. Mr. Astill reminded the Trustees that the renewal of the District's various insurance policies was discussed earlier during the meeting. The insurance payment is due as a lump sum at the beginning of the year. The 2023 property, liability, auto and cyber insurance premium is \$127,370.00, with the workers compensation premium to be paid separately. In response to a question from Trustee Christensen, Mark Anderson explained why the insurance premium payment was being presented to the Board for approval, rather than being handled administratively by management, whose purchasing authority does not go that high. Greg Anderson declared that he is "very pleased" with the insurance premium quotes that were obtained by Olympus Insurance and Daryl Child. Greg Anderson briefly reviewed the efforts that went into obtaining a favorable insurance premium rate, in spite of inflation.

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

That a premium payment be made to Olympus Insurance in the amount of \$127,370.00, for the District's property, liability, auto and cyber insurance.

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 Trustees.

Quarterly and Annual Blue Stakes Report:

The quarterly and annual Blue Stakes Reports were included in the Board Book.

Elect & Appoint KID Officers:

A list identifying the District's current officers was included in the Board Book as follows: Board Chair, Cheryle Hatch; Board Vice-Chair, Gregory R. Christensen; Board Clerk, Jeff Monson; District Clerk, Riley Astill; Treasurer, Greg Anderson, Secretary to the Board, Mark H. Anderson; Records Officer, Dana Timothy; CVWRF (Central Valley Water Reclamation Facility) Board Member, Jeff Monson; CVWRF Board Alternate, Greg Anderson; UASD (Utah Association of Special Districts) representative, Greg Christensen; UASD Alternate Representative, Gregory R. Christensen; Kearns Metro Township Liaison, Cheryle Hatch; Kearns

Community Council Liaison, Jeff Monson; and Sick Bank Committee Chairman, Jeff Monson. Following a brief discussion, it was moved by Trustee Christensen and seconded by Trustee Monson as follows:

That the District's officers, as currently constituted, continue to serve in their respective offices through 2023 and until their replacements have been selected.

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

Review of Conflict-of-Interest Policy and Signing of Disclosure Form; and Review of Ethical Behavior Policy and Signing of Pledge Form:

For convenience, agenda items IV.B and C were combined.

A copy of the District's Conflict of Interest Disclosure form and of the District's Ethical Behavior Pledge form were included in the Board Book. After the forms were reviewed by Greg Anderson, they were signed by the Trustees and management staff. Mark Anderson not being an employee of the District, did not sign the Conflict of Interest Disclosure, but did sign the Ethical Behavior Pledge Form.

Discuss/Consider Edits to Policies and Procedures Title 1, Chapter 1 – Organization and Management:

A red-line copy of the District's Organization and Management Policies and Procedures was included in the Board Book. The Trustees and staff went through the Policy, page by page, discussing the proposed amendments and formulating additional edits as they went. At the end of the review, it was moved by Trustee Christensen and seconded by Trustee Monson as follows:

That new Title 1, Chapter 1 of the District's Administrative Policies and Procedures Manual, entitled "Organization and Management", be adopted and approved to replace the prior Organization and Management Policies and Procedures, with amendments and changes as indicated during the Board discussion.

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

Discuss/Consider Edits to Policies and Procedures Title 1, Chapter 2 – Board Meetings:

A red-line copy of the District's Board Meetings Policies and Procedures was included in the Board Book. The Trustees and staff reviewed the Chapter, page by page, after which it was moved by Trustee Monson and seconded by Trustee Christensen as follows:

That new Title 1, Chapter 2 of the District's Administrative Policies and Procedures Manual, entitled "Board Meetings", be adopted and approved to replace the prior Board Meeting Policies and Procedures, with amendments and edits as discussed and presented.

The motion carried with Trustees Hatch, Christensen, and Monson each voting in the affirmative. The detailed review of each provision in the Board Meetings Policies and Procedures was intended to satisfy the annual Board training requirement as provided in the Open and Public Meetings Act.

Discuss/Consider Update to Policy for “Procedures for Cutting & Handling of Asbestos Cement Pipe”:

A document entitled “Procedures for Cutting & Handling of Asbestos Cement Pipe” dated December 21, 2022 was included in the Board Book. Greg Anderson noted that the Procedures were instituted nine years ago next month, and explained that the Procedures in the Board Book had been updated and made more current. Mr. Anderson explained that KID has asbestos cement pipe as part of its water system, noting that employees who work in trenches with asbestos pipe receive an annual physical. At the end of the review and discussion, it was moved by Trustee Christensen and seconded by Trustee Monson as follows:

That the Procedures for Cutting & Handling of Asbestos Cement Pipe dated December 21, 2022 be adopted and approved to replace the prior Procedures.

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

Present General Manager’s 2022 – Kearns Improvement District – Telling Our Story:

Greg Anderson presented an interesting and informing end of year review entitled “Telling Our Story” using a Power Point. A copy of the presentation, in a “we care” format, was included in the Board Book. During his presentation, Mr. Anderson responded to questions from the Trustees and there was a back and forth discussion of some of the points. A list entitled “2023 Goals/Items to Consider” was also included in the Board Book. Greg Anderson praised Jamie Banh for doing a “marvelous job”, noting that she has made arrangements for the Summer Employees Party to be held on June 2nd at a Bees baseball game and for a Top Golf Christmas Party on December 7. During his presentation, Mr. Anderson responded to questions from the Trustees.

Central Valley Water Reclamation Facility:

A copy of the December 15, 2022 Central Valley Board meeting agenda was included in the Board Book. Trustee Monson, who represents KID on the Central Valley Board, reviewed the agenda and reported on current Central Valley activities, including replacing lights with high efficiency lights, which yielded a \$17,000 rebate; the high cost of insuring Central Valley’s sewage treatment plant and related facilities; and Central Valley’s new 20 year Capital Improvements Program.

Jordan Valley Water Conservancy District:

A copy of the agenda for the January 11, 2023 Jordan Valley Water Conservancy District Board meeting was included in the Board Book. Trustee Christensen noted that the new Jordan Valley Deputy General Manager has started work; that Senator Karen Mayne, who represents Kearns in the State Legislature, has resigned due to health issues; and that the “Flip Your Strip”

turf rebates are being increased to \$3.00 per square foot, which is a nice incentive but won't come close to covering a homeowner's costs.

Utah Association of Special Districts:

The agenda for the upcoming UASD Board meeting was not available.

Kearns Metro Township Council:

A copy of the Kearns Metro Township Council January 9, 2023 meeting agenda was reviewed by the Trustees. Chair Hatch reported concerning the meeting and current Kearns Metro Township activities. UPD Chief Hughes was present, and introduced the new Sargent who will be working with schools in Kearns. Chair Hatch noted that Greg Anderson made a presentation on behalf of KID, including a discussion of KID's water conservation efforts, which are second to none. Chair Hatch stressed KID's hard work in getting a federal grant for the community. Code Enforcement was discussed during the Metro Township Council meeting, especially regarding snow plowing and individuals who park their cars on the street, thereby hampering snow removal efforts. Apparently, the courts are not enforcing parking and other Code enforcement issues if the person who is ticketed challenges the ticket.

Kearns Community Council:

An agenda for the Kearns Community Council meeting was not available. Trustee Monson reported on the most recent Community Council meeting, which he described as covering many of the same issues and discussions as were involved in the Metro Township Council meeting. During the Community Council meeting, Trustee Monson reported for both KID and the Kearns Oquirrh Park Fitness Center. He was asked to extend the Community Council's thanks to the District for all that KID's employees do for the community.

Chamber West – Legislative Committee:

Greg Anderson reported that he has reviewed approximately 12 water Bills, which he will present during the next Chamber West Legislative Committee meeting.

Trustee Per Diem Report:

The January 2023 Trustee Per Diem Report, which is starting with a clean slate, was included in the Board Book.

Discuss the Character and Professional Competence of an Individual(s) – Possible Closed Meeting – Evaluation of General Manager:

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

That the Board go into a closed meeting to discuss the character and professional competence of an individual.

The motion carried with Trustees Hatch, Christensen, and Monson each voting in the affirmative. Chair Hatch then declared the Board meeting to be closed. The closed meeting was held in the Board room with all three Trustees in attendance, and Greg Anderson and Mark Anderson were also in attendance for a portion of the closed meeting.

Chair Hatch declared the meeting to again be open at 9:04 p.m. No action was taken during the closed portion of the meeting other than the approval of a motion made by Trustee Monson and seconded by Trustee Christensen to close the closed session and return to open meeting.

Following a brief discussion concerning the timing of a formal vote regarding the General Manager's annual evaluation, turning to Greg Anderson, Chair Hatch declared "you're awesome" and the Board "couldn't be more pleased" with the General Manager and all he does for the District. Trustee Monson provided positive examples to back up Chair Hatch's statements, with which Trustee Christensen was in full agreement. Chair Hatch suggested that the General Manager's car allowance be increased to \$800.00 per month and that his salary be increased to \$175,000 per year. It was then moved by Trustee Christensen and seconded by Trustee Monson as follows:

That the General Manager's car allowance be increased to \$800.00 per month and that his annual compensation be adjusted to \$175,000 per year, retroactive to January 1, 2023.

The motion carried with Trustees Hatch, Christensen, and Monson each voting in the affirmative. Greg Anderson expressed his appreciation to the Board for their kind words and support.

Adjourn:

There being no further business to come before the Board, Chair Hatch declared the meeting to be adjourned at 9:18 p.m.

Approved by the Board of Trustees of the Kearns Improvement District on the 14th day of February 2023.

Date: 14, February 2023

Cheryle A. Hatch
Cheryle A. Hatch, Chair

Date: FEB 14, 2023

Gregory R. Christensen
Gregory R. Christensen, Vice Chair

Date: 14 February 2023

Jeff Monson
Jeff Monson, Board Clerk