

SPANISH VALLEY WATER & SEWER IMPROVEMENT DISTRICT

Regular meeting -----December 17, 1997

The meeting was called to order by the Chairman, Paul J. Morris at 7:00 P.M. at the District office. Other Board members present were Dan Holyoak, Neal Dalton, George White and Karla VanderZanden.

ATTENDANCE

Others present were Dale Pierson, Jolyne Hoffmann, Marsha Modine, Val Kofoed, John Chartier, Jesse Nation and Al Heaton.

After calling for additions or corrections to the minutes of the meeting of November 12, 1997, and hearing none, the Chair declared the minutes approved as circulated to the Board. Motion: George Seconded: Neal MOTION CARRIED

MINUTES
APPROVAL

CHECK APPROVAL:

4381	Zions 1 st Natl Bank (Mnthly Bond Payment)	\$6056.96
4382	Rural Development (Mnthly Sewer Bond Payment)	2663.00
4383	City of Moab (Nov Sewer Treatment)	5413.71
4384	GCWCD (Reimburse Impact Fees - Bowling Alley)	790.82
4385	Zions Bank (Annual Paying Agent Fee)	700.00
4386	Utah Dept of Health - Labs (Samples)	30.00
4387	Southern Paving (Road Cut Material)	68.40
4388	State Of Utah, Div of Finance (Div Wtr Res Bond)	14000.00
4389	RWAU (Annual Membership Dues)	350.00
4390	Clyde Snow & Swenson (Professional Fees)	40.40
4391	Grand County Law & Justice Ctr (Professional Fees thru Nov 97)	607.30
4392	Southern Paving (Paving Material)	499.47
4393	Larry White (Reimburse for Water Parts)	47.11
4394	Jim McGann (Reimburse for Maynard Line Extension)	500.00
4395	Tony Lema Jr. (Reimburse for Maynard Line Extension)	500.00
4396	Grand Valley Construction (Sewer Conn - Jackson Yellow)	700.00
4397	Times-Independent (Legal Notice)	20.70
4398	Pat Jones (Changing Out Meters)	150.00
4399	Walker's True-Value Hardware (M&O Water)	5.85
4400	Paul Morris (Reimburse Travel - 2 trips to SLC)	418.50
4401	J.W. Nelson Construction (Unplug Sewer Line - Howarth's)	650.71
4402	Dave Cozzens (M&O W&S, New Conns, Wtrline Extensions)	15899.50
4403	GCWCD (Reimburse Admin Fees)	7185.22
4404	U. S. Postmaster (December Billing, 2 Rolls 32¢ Stamps)	234.04
4405	GCWCD (Reimburse for EOY Bonuses for staff)	5000.00
TOTAL:		\$62531.69

CHECK
APPROVAL

Dan moved to approve the checks and George seconded. MOTION CARRIED

PUBLIC BUDGET HEARING: Paul Morris opened the public hearing at 7:00 p.m. No comments were made from the public present. Paul said at the joint Board work session on December 1st, the Board members decided to increase the staff's salaries by 3%. He

PUBLIC
BUDGET
HEARING

mentioned that this was not binding and more work had been required of the staff this year by SVW&SID than by GCWCD although GCWCD is paying 50% of the salaries. GCWCD's income is fixed whereas SVW&SID is growing. There was also discussion concerning the 19-20% increase in the cost of medical benefits. If the medical benefit increase could be reduced to less than 18%, this savings could be passed on to the staff according to Paul. Karla suggested that the Board might want to consider giving pay increases based on merit instead of longevity in the future. Paul said he would like to discuss salaries again under '*Items from Staff*'. The public hearing was closed at 7:10 p.m.

SEWER PROJECT UPDATE: Val Kofoed gave a brief history of the steps taken to hold the contractor to their commitments. On November 17th, the County reinstated the *County Road Encroachment Permit* after approving a schedule required by the contractor outlining a work plan complete with dates for project completion. Val stated that none of those commitments were met by the contractor since that date except the repair of the leak on line A. Val requested Board approval of a letter addressed to Jackie Olsen indicating the commitments that were made and missed by Ralph Olsen's Excavating. The letter states the Contractor now has 10 working days from the date of receipt of the letter to complete a list of requirements as outlined in his letter. If the commitments are not met, the District will proceed with a 10 day written notice under Section 18.2 of the contract document. At that point the District will take possession of the project and complete the work by whatever method it may deem expedient. The letter was reviewed by attorney Ted Barnes. Val also mentioned that the District was granted a zero percent loan of \$300,000 for project overruns. Grant money was unavailable due to an increase in SVW&SID's customer base changing the District's low income status required for grants. Dale said the \$300,000 loan requires a Bond Resolution that must be advertised and approved at a subsequent meeting. Dan moved to send the letter to Ralph Olsen's Construction and their bonding company. Karla seconded the motion. MOTION CARRIED

SEWER
PROJECT
UPDATE

IMPACT FEES: After researching the issue of imposing impact fees on existing houses, Dale felt the District has significant exposure if the District continues to only collect a hook up fee of \$1100 for sewer and \$925 for water and no impact fees. Existing houses not on the sewer project currently pay less than existing houses on the sewer project who are paying \$2000 for a sewer hookup. He also said that existing houses should pay impact fees for water since they would cause an impact to the system if they hooked on today. Dale recommended amending the Impact Fee Resolution No. 97-02 to include a service permit and collect *Treatment* and *Collection* impact fees for sewer and *Distribution* impact fees for water connections on existing houses. Val Kofoed, from Sunrise Engineering, recommended that any existing home at the time the bond was voted on be charged \$2000 for sewer with no additional impact fees the same as the people on the sewer project. He also recommend collecting *Distribution* impact fees for all existing homes for water connections. Dan motioned to amend Resolution No. 97-02 so that upon application for service, existing homes pay \$2000 for sewer connection fees and water connection fees to include a \$700 impact fee for *Distribution* plus \$925 for hook up. Karla seconded the motion. Neal voted no. All other Board members voted aye. MOTION CARRIED

IMPACT
FEES

MOAB RECREATION CENTER IMPACT FEES - JESSE NATION: Dale explained the impact fees assessed to Moab Recreation Center on 11/14/97. A comparison to the old connection fees was also presented. Jesse Nation and Al Heaton requested the Board consider reducing those fees. They started their project in April 1997 and were aware of the GCWCD impact fees. However, though a series of delays, miscommunications with their contractor, the building inspector's office, their real estate agent and their failure to read the public notices, they misunderstood there were additional impact fees for SVW&SID. Mr. Heaton said the community was confused and/or misinformed about our fees. He suggested to improve our public relations the District might want to send out information to Real Estate agencies, Contractors and other County agencies. Karla said she was supportive of Mr. Heaton's suggestion of communicating to clarify the impact fees. Dan motioned to charge Moab Recreation Center \$5040.82 for impact fees plus the cost of installation for water and sewer service. The balance of the impact fees paid by Moab Recreation Center will be refunded. Neal seconded. MOTION CARRIED

MOAB REC.
CTR IMPACT
FEES - JESSE
NATION

WATER SYSTEM UPGRADE: Dale, Paul Morris and Vern Fisher met with representatives from Rural Development (RD), Community Impact Board (CIB) and the Division of Water Resources (DWR). The water project was explained and the response was positive from the agencies. Vern presented the project to the Division of Drinking Water (DDW). DDW suggested dividing the project into two parts; 1) storage and distribution and 2) source. DDW may fund the bulk of storage and distribution using State Revolving Funds (SRF). SRF has a priority point system based on deficiencies within a system and this District may qualify to be the pilot program. Application will be made to DDW at their January 16th meeting. Neal asked if water rates will have to be raised, if so he is against the project since we have told the people on every project that rates will not be raised. Val said yes fees would increase. For the record, Val said 'I never told this Board that the sewer system we put in now or any improvements we put in will last forever. I have never said that you will not have to raise rates again'. Neal asked if a public hearing is required. Val said yes. Neal stated that if the public is for the project and rate increases then he is for it.

WATER SYSTEM
UPGRADE

FINANCIAL STATEMENT: The Board was presented with a November 1997 Financial Statement for their review.

FINANCIAL
STATEMENT

ITEMS FROM BOARD MEMBERS: Paul asked about the \$1100 on a new water line. Dale said it was actually two water lines. One from Spanish Trail Road down Murphy Lane. The other on Shumway coming the opposite direction of Shumway Lane.

NEW WATER
LINES

ITEMS FROM STAFF: A copy of the 1998 meeting dates was distributed to each Board member. Dale mentioned that the meeting for November was changed to Tuesday the 10th to avoid back to back Board meetings and the holiday on Wednesday.

1998 MEETING
DATES

Dale asked the Board to take home and review the 'Interlocal Agreement for the Coordination of Public Services' provided in their Board packets. The purpose of the document is to provide a packet explaining to new construction the standards and fees for the Districts, the Fire Department and the County when they walk into the Building Inspector's office.

INTERLOCAL
AGREEMNT FOR
THE COORDIN.
OF PUBLIC
SERVICES

1998 BUDGET APPROVAL: Neal moved to approve the 1998 budget and George seconded. MOTION CARRIED

1998 BUDGET
APPROVAL

1997 AMENDED BUDGET APPROVAL: Karla moved to approve the 1997 Amended Budget and Dan seconded. MOTION CARRIED

1997 AMENDED
BUDGET APPROV.

STAFF SALARY - EXECUTIVE SESSION: Dan motioned to go into Executive Session and Karla seconded. MOTION CARRIED. Dan motioned to come out of Executive Session and Neal seconded. MOTION CARRIED. Dan motioned that a bonus be given to each staff member for the good work they did during 1997, in the amount of \$5000 to be divided equally among the staff and to be paid in 1997. Karla seconded the motion. MOTION CARRIED. Karla moved to amend the Amended 1997 Budget an addition \$5000 in administrative fees and Dan seconded.

STAFF
SALARIES

Meeting adjourned at 9:36.

ATTEST:


Paul J. Morris, Chairman


Neal K. Dalton, Clerk