

EMIGRATION IMPROVEMENT DISTRICT
BOARD OF TRUSTEES REGULAR MEETING

TUESDAY, JUNE 27, 2017

EMIGRATION CANYON FIRE STATION
5025 EMIGRATION CANYON ROAD
SALT LAKE CITY, UTAH

Board Members in Attendance: Mike Hughes – Chair, & David Bradford—Secretary/Clerk

Ex Officio: Eric Hawkes—District Manager, Joe Smolka—Project Manager

Chair Hughes called the meeting to order at 7:04 p.m.

1. Consent Approval - Minutes for May 18, 2017

MOTION: David Bradford made a motion to approve the minutes of the May 18, 2017 Trustee Meeting as written. Mike Hughes seconded the motion.

VOTE: Unanimous in favor of the motion.

2. Financial Considerations & Report

Eric Hawkes reviewed the monthly financial report including cash balances and year to date income and expenses as written on report. Question from Mr. Hook about if there have been any revisions from the budget. Mr. Hughes replied there have not. Question from Bob Stagers concerning why people are delinquent on their accounts. Chair Hughes responded that usually the delinquent accounts are those who are unhappy with the fees that EID charges.

3. Approve 2017 SLCo Certified Tax Rate .000872

Mr. Hawkes reported that the SLCo suggested tax rate to keep our current budget is .000872. This would keep the budget consistent with what the District has had in the past. The District can bring the rate down or adopt the rate from the county. When property taxes went down, the county increased the rate to maintain our annual budget. They suggest the rate and the District has the option to approve it to keep the budget roughly the same from year to year. Bob Stagers clarified that the income from the tax rate doesn't go up from year to year. The rate changes to keep the revenue stable to keep the budget where it has been in the past.

MOTION: David Bradford made a motion to adopt the SLCo Certified Tax Rate of .000872. Mike Hughes seconded the motion.

VOTE: Unanimous in favor of the motion.

4. External Audit—Ian Robbins CPA

Ian Robbins, CPA, gave a report of the external audit. The audit for special services districts is for three purposes. The first is to ensure that the special service district is complying with laws. The audit found that there were no items out of compliance. The second purpose is to ensure that training is being provided as it should be, and the audit of EID found that training is being properly provided. The third purpose is to ensure that the financial reports are consistent with what is being kept by the manager and is consistent with what is being provided to the state auditor and to the public. The audit found that they all are consistent. This kind of audit is approved for entities with a budget of less than a million and meets all the requirements of the state auditor's office. Question from Steve Hook clarifying that 2014, 2015, and 2016 were all agreed upon procedure reports. Full-blown financial audit is a greater scope. This smaller audit is for smaller entities. The state auditor found that a restrained audit is effective in overseeing these small districts without the great cost of a full-blown audit. A set of financial statements, called the "State Large Financial Survey" can be found online; what's given to the public in the monthly report is more readable and up-to-date. The state auditor's office wanted to strike a balance for the smaller entities: ensure that the entities are meeting the three main purposes listed above, in a way that is cost-effective and readable. The reports are on the website for the state auditor's office. It's in final form and pending approval by the board.

MOTION: Move to approve by David Bradford. Chair Hughes seconded.

VOTE: Unanimous in favor of the motion.

5. EID Trustee Election Information

There are 3 candidates that filed with the county to be on the ballot for the upcoming EID election in November: Bob Stagers, Paul Brown, Brent Tippetts.

6. Discussion and Appointment of Trustee to Fill Mark Stevens Term

Trustee Mark Stevens is resigning, and a discussion was held for candidates to fill his term. Candidates request for consideration: Paul Brown, Bob Stagers, Brent Tippetts, BJ Ryan (listed, but absent), Suzanne Plumb. Each candidate was given 2-5 minutes to share their experience

and interest in being on the EID board. Bob Stagers was followed by Paul Brown, followed by Brent Tippets and Suzanne Plumb.

Following each candidate's presentation, Chair Hughes stated that the board needs someone to fill this role until the election. That candidate will be assigned a fair amount of work very quickly. Being on the board isn't a very comfortable place. The decisions are very difficult. Chair Hughes reiterated the fact that this is a short-term position. Discussion held regarding the candidates and the needs of the EID.

MOTION: Motion by Chair Hughes to approve Brent Tippets for the board. Seconded by David Bradford.

VOTE: Unanimous in favor of the motion.

Joe Smolka commented that residents have until September to be a write-in on the ballot. Chair Hughes stated the need to put that information in the newsletter. Steve Hook made the comment that this is a hard discussion because these are friends and neighbors. He asked Suzanne Plumb why she didn't sign up to run, to which Suzanne stated that she had no notification and missed the 7-day window. Brent will be on the ballot as an incumbent; it is a four-year term that is up for election in November.

Brent Tippets joined at the table. Now a voting member of the board.

7. Maintenance Report

Erik Hawkes gave a report on the tank cleaning involving a scuba diving team. It went very well. The tank was shut down and the team went in with a camera, lights, a long pump, and a vacuum. They cleaned and inspected the tanks. The process took a day and a half to clean both tanks. The divers found 2-3 inches of sludge which is about average. Wildflower had about 3-4 inches of sludge. No gravel was found, and they didn't find any issues with the tanks. EID will receive a written report from the cleaning. Question from Steve Hook regarding the sanitation of putting scuba divers in the tank. Mr. Hawkes replied that it is a standard procedure and the divers are in a completely sealed suit. The divers and the equipment are hosed with chlorine before they enter the tank. Some of the advantages include never having to put a tank out of commission while it's being cleaned and it uses a tenth as much chlorine. The cost was about \$3000 to do both tanks; they clean the tanks every 5-7 years.

8. Brigham Fork Well Repair Progress Report

Mr. Hawks gave an update on the repair of the Brigham Fork well. The pump was removed,

sand was bailed out, they looked at it with a camera found the initial problem: there are holes in the PVC. That well is running artesian now, as they bailed out the gravel the flow improved even more. Chair Hughes reviewed the status of the other wells. Well 1 is now out of commission (likely holes in the production pipe). There has been discussion at one point about capping it because it had been dewatered at one point. It isn't producing very well. Well 2 is usable but the transducer is being repaired. They are trying to rest Well 2 while they are repairing it. The Upper Freeze Creek well is the workhorse and very productive. There is no issue with volume.

9. Water Levels Report

Mr. Hawkes reported that May's water usage was 3 million gallons. The usage usually starts to spike after May. June-August is when the District sees the most water usage. Currently, usage is at around 11,000 gallons per connection. Review of data chart which shows that thus far the water consumption this year is average. Question from Suzanne Plumb regarding where the new connections are coming from. Mr. Hawks responded that most of the new connections come from new construction in Emigration Oaks or on the main road. There is a limit on the number of properties in the Oaks that EID will support, but that number isn't met yet. In general, May's water level was slightly up from last year.

10. Meeting with Metro-Township Board on Wastewater Management and Involvement – Chair Hughes

Chair Hughes gave a report on his meeting with the Emigration Canyon Metro Township regarding cleaning up the creek. Because the TMDL level of the creek is too high, the District and the Metro-Township Board are being asked by the EPA and the Division of Water Quality to come up with solutions to clean it. The Division of Water Quality has suggested putting in a sewer system; however, that would be extremely expensive. Another main reason is that there is not enough water in the canyon for a sewer system. There is a possibility that the trees could die and the landscape of the canyon could drastically change. The District is trying to come up with a management plan for the entire canyon. The plan would include a way to finance the repairs that need to happen (for those who cannot afford to do so themselves) and to find a model that works, given the disparity between Emigration Oaks and the main canyon road. They have thought of doing off-site systems, package plants, and currently, working with the Metro Township Board to adopt ordinances that would help in this management plan--possibly requiring yearly maintenance or inspections of septic systems in the canyon. Some remodels may be required to pump their systems every year. Even though the TMDL level in the creek may not entirely be caused by failing septic systems, that is what the EPA is going after. Question from Bob Staggers about how many septic systems in the canyon are a problem. Chair Hughes replied that we don't know. Question from Paul Brown regarding the effect of putting in

wetlands in the canyon. Chair Hughes responded that he is very familiar with wetlands but that in this situation, it wouldn't solve the problem. Bob Stagers asked about the possibility of going to the EPA with a phased approach, to which Chair Hughes responded that it is what the District started with. The Division of Water Quality has asked that the District come to them with one plan to fund. The District plans to work with the Metro Township in this process of adopting ordinances that will help remediate the failing septic systems in the canyon. The Metro Township will be at the meetings to move the process along.

11. Any Items Requested by Visiting Public, Dismiss Public

Question from Paul Brown about the status of the litigation. Dave Bradford said the plaintiff is filing an appeal with the 10th circuit. Financially, the District has recovered most of the funds through collecting on damages from the first litigation and insurance money.

12. Brent Tippets Took the Oath of Office

Closed Session

MOTION: Board Member Bradford made a motion to convene in closed session to discuss pending and imminent litigation. Mike Hughes seconded the motion.

VOTE: Unanimous in favor of the motion.

The Board of Trustees met in closed session from 8:39 p.m. to 9:33 p.m. Those present included the Board of Trustees, Joe Smolka, Eric Hawkes, and Don Barnett (phone).

MOTION: Board Member Bradford made a motion to dismiss from closed session and to adjourn the meeting. Mike Hughes seconded the motion.

VOTE: Unanimous in favor of the motion.

The regular meeting of the Emigration Improvement District adjourned at 9:33 p.m.