EMIGRATION IMPROVEMENT DISTRICT

BOARD OF TRUSTEES REGULAR MEETING

THURSDAY, SEPTEMBER 28, 2023

EMIGRATION CANYON FIRE STATION

5025 EMIGRATION CANYON ROAD

SALT LAKE CITY, UTAH

AND ZOOM

 **Regular Meeting**

Board Members in Attendance: David Bradford – Chair, Brent Tippets – Co-Chair, Mark Stevens – Co-Chair

Ex Officio: Eric Hawkes—District Manager, Jeremy Cook—Legal Counsel, Don Barnett-- Barnett Intermountain Consulting

David Bradford called the meeting to order at 7:03 p.m.

**1. Consent Approval - Minutes for August 17, 2023**

MOTION: Brent Tippets made a motion to approve the minutes of the August 17, 2023, Trustee Meeting as written. David Bradford seconded the motion.

VOTE: Unanimous in favor of the motion.

**2. Cancellation of November Board of Trustee Election**

Because there were no candidates who filed before the deadline, there is no need to have an election. Therefore, the EID can save the money and cancel the upcoming election.

MOTION: Brent Tippets made a motion to approve resolution 2023-1, canceling the election. Mark Stevens seconded the motion.

VOTE: Unanimous in favor of the motion.

**3. Financial Considerations and Report**

Mr. Hawkes presented the monthly financial considerations and report. Board members then discussed the current water usage and revenue. The revenue is less than anticipated. When the September bills are collected, that will help the financials. The Board members mentioned how important a water rate increase is to build up the cash reserves. Mr. Hook from the audience asked about the cash balance, in particular the maintenance and repairs category, and Mr. Hawkes mentioned that there are some large bills, such as the asphalt paving, that are not reflected in the number yet.

Due to the fact that the EID does not need to have an election, there is $2,500 available in that category. With that $2,500, Mr. Hawkes would like to move $100 to the accounting and audit category, $400 to the insurance category, $1,000 to office and operating expenses, and the remaining $1,000 to maintenance and repairs. In addition, there is currently $1,000 in the newsletter category, which Mr. Hawkes suggested moving to maintenance since the Board will be receiving $5,000 from the grant they received to be used for public outreach.

Mr. Hook suggested that Mr. Hawkes talk to the accountants on how to account for offsetting the grant money.

MOTION: David Bradford made a motion to amend the budget as Mr. Hawkes suggested. Mark Stevens seconded the motion.

VOTE: Unanimous in favor of the motion.

**4. Discussion on Water Rate Revision**

Chair Bradford outlined his revised rate increase proposal. The Board and Mr. Barnett had a lengthy discussion on the proposal. The proposed rate increase only raises revenue by about $70,000, and the Board was hoping to raise $100,000. Mr. Barnett pointed out that every other district has a base rate, and while he is sympathetic to the arguments from conservationists, he also reminded the Board of the need to have a base rate to cover minimum costs of running a water system. Jeremy Cook stated that other water districts that he represents have all had significant rate increases, some 20-30%. In addition, those other water districts have more cash reserves on hand. If the EID were to have a major repair issue, they would have to get bonds to cover it, which would make it more difficult. The District has not raised rates in the past ten years, and although they want to be sensitive to the concerns of their constituents, they recognize the need to have a rate increase. The Board looked at various other water districts and their rates. Tyler Tippets from the audience asked about potentially increasing rates through the property taxes, to which the Board replied that the County has a mechanism in place to keep revenue the same and the Board adopts their suggested tax rate each year. It would be far more complicated to raise rates through property taxes. Ms. Stokman voiced concern that the rate increase is not enough about water conservation, to which Mr. Hook in the audience replied that the Board has empirical data showing their efforts have had a dramatic impact on water consumption and conservation. Chair Bradford agreed to revisit the data and try to increase the base rate enough to increase revenue closer to the $100,000 the Board needs. Willy Stokman asked the Board to put in the announcement of the meeting what the proposal is that they will be discussing. Monthly billing will begin in November, which would be a good time for the new rate to take effect.

**5. Streamline Website Updates**

The new website is almost completed. Mr. Hawkes asked for feedback from the Board members. The website will likely launch on Wednesday. Ms. Stokman suggested that the EID educate residents on the new meters.

**6. Bureau of Reclamation – WaterSmart Grant Update & Public Outreach for Online Portal Access**

Mr. Hawkes updated the Board members that he has 100 new meters left to install. Of those, twenty will require significant time to install. In the next couple of weeks, most of the meters will be installed. The grant money is still pending (it is already awarded, but Mr. Hawkes has run into a technical glitch in accessing the funds).

**7. Water System Report –System Consumption Report**

Mr. Barnett presented the water system report. Although the usage is higher this year than last year, water usage is still 28% below the mean since the system was enlarged.

**8. Maintenance and Repairs**

Mr. Hawkes reported on service line installations for 1228 Killyons Lane & 6025 Emigration Canyon Rd. Those are new lines that have been installed. The EID also did paving on 918 Pinecrest Canyon Rd and 6025 Emigration Canyon Rd. The Emigration Canyon Metro Township has a road moratorium ordinance for asphalt patching and repair. After describing what the moratorium ordinance is and how extreme it can be, Mr. Hawkes suggested to the Board that they approach the Metro Township to ask for a public entity agreement. The moratorium is generally put into effect to encourage people to do their repairs before the new road is put in. However, the repairs that the EID does are all unforeseen emergencies. It seems like undue hardship to require such extensive work and very expensive paving and costs the taxpayer base a lot of money. The Board members agreed to ask to be on the agenda for the next Township meeting to ask for an exception.

Mr. Hawkes reported on the water tank cleaning. He was able to get the Wildflower Tank cleaned but they were unable to access Tank 1 because their truck and trailer were not able to get there. However, they did inspect both tanks and everything looked good.

Willy Stokman asked about the Busse system. The State classified it as an alternative system.

**9. Any Items for Discussion from Board and/or from Visiting Public, Dismiss Public**

There were no comments from the visiting public.

**11. Closed Session – Pending Litigation**

MOTION: Board Chairman David Bradford made a motion to convene in closed session to discuss purchase, lease, and exchange of real property. Brent Tippets seconded the motion.

VOTE: Unanimous in favor of the motion.

The Board of Trustees met in closed session from 8:30—9:00 p.m. Those present included David Bradford, Brent Tippets, Mark Stevens, Eric Hawkes, Jeremy Cook, and Don Barnett.

MOTION: Board Member Brent Tippets made a motion to adjourn the meeting. David Bradford seconded the motion.

VOTE: Unanimous in favor of the motion.

The regular meeting of the Emigration Improvement District adjourned at 9:00 p.m.

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Minutes Approved