

EMIGRATION IMPROVEMENT DISTRICT

BOARD OF TRUSTEES REGULAR MEETING

THURSDAY, APRIL 20, 2017

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

Board Members in Attendance: Mike Hughes – Chair, & David Bradford

Ex Officio: Eric Hawkes—District Manager, Joe Smolka—Project Manager, Don Barnett—Barnett Intermountain Consulting, Jeremy Cook—Legal Counsel, Craig Neeley—Aqua Engineering

Chair Hughes called the meeting to order at 7:05 p.m.

1. Consent Approval - Minutes for February 16, 2017

MOTION: David Bradford made a motion to approve the minutes of the February 16, 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. Chair Hughes asked when the last billing was sent out. Mr. Hawkes replied first week in April.

Chair Hughes and David Bradford reviewed the 1st Quarter Transparency report, which includes all itemized transactions from January 1 to March 31, 2017 to be submitted on the Utah Transparency Website.

3. Dismissal of False Claims Act Litigation and Payment Received of \$29,936 in Fees and Damages.

Jeremy Cook, District's Legal Counsel explained the False Claims Act case filed by Realator Mark Tracy was dismissed without prejudice by Federal Court Judge Jill Parish. Jeremy discussed that Mark Tracy's legal counsel, Christensen & Jensen, P.C., was disqualified and Mark was required to obtain new legal counsel in the matter and failed to do so. Jeremy Cook reported the District did receive payment in the amount of \$29,936 for the wrongful lien claim. Steve Hook asked where the funds came from. Jeremy explained Mark Tracy & Christensen and

Jensen filed an unlawful lien or Lis Pendens on one of the District's water rights. The District was awarded the \$10,000 penalty in statutory damages and \$19,936 in attorney's fees. Chair Hughes asked who paid the money. Mr. Cook replied the funds were received from Christensen & Jensen, P.C.

A discussion was had to have a letter sent out to the community regarding the out-come of the lawsuit and the events that had transpired.

4. Salt Lake County to Provide Election Services for 2018 Trustee Office

Mr. Hawkes reported Mark Steven's position is up for election this year. The last election services were contracted to Salt Lake County Elections Office. The contract for this year is approximately \$1901. Any interested candidates need to file their declarations between June 1 - 7, 2017. Mr. Hughes replied that amount was a lot less than the District could do it for and it puts the responsibility to Salt Lake County. Mr. Cook replied he has already looked over the Agreement and has no concerns.

Vote: Unanimous in favor of contracting election services to Salt Lake County Elections Office

5. Brigham Fork Well Repair

Mr. Hawkes reported Peterson Drilling was on site and was near to having the Brigham Fork pump removed and the District did received the test results and repair procedures from Water Systems Engineering. Mr. Hughes replied that it was almost exactly the same as the previous procedures used the last time the well was treated. Mr. Barnett discussed how they recommend using an oxalic acid rather than a phosphoric acid, which was used previously. Oxalic acid is non corrosive to metal and will attack the iron bacteria, yet nonhazardous when handled. Mr. Bradford mentioned oxalic acid can be found in such foods as rhubarb.

Mr. Barnett explained the mechanical and chemical treatment processes used to clean the well and increase its production. Chair Hughes asked what the volumes of the chemicals were going to be used. Mr. Barnett replied that information has been requested to Water Systems Engineering and has not been finalized. Mr. Hook inquired if the District has seen anything so far that would suggest modification of the maintenance budget. Chair Hughes replied we are too early in this process to determine what the costs are going to be. Mr. Hook also asked if the maintenance budget spent to date was really only \$8,000. Mr. Hawkes replied some maintenance work has been completed and not billed yet, but generally speaking, very little has been expended on maintenance so far. Mr. Barnett and Mr. Hughes discussed how Brigham Fork well has been a great source of water and the importance of preserving the water source.

Jamie White requested to read parts of a letter he received from Mark C. Tracy President of the ECHOA (Emigration Canyon Homeowners Association). He said Mr. Tracy would like to have attended the meeting but was unable to do so because he was apparently in Washington D.C. talking with the Secret Service. The letter was dated April 20, 2017 to Kent Jones, Utah State Engineers Office, Division of Water Rights. Mr. White proceeded to read portions of the letter, which included ECHOA's demand to shut down the District's Brigham Fork and Upper Freeze Creek wells.

6. Water Levels Report

Mr. Barnett reported that February and March's water usage was very similar to the previous year at 1.6 million gallons for February and 1.8 million gallons in March. When it comes to the per capita average, the District continues to be below the average usage going back to 2009. Mr. Hawkes mentioned the data graphs will be posted on the District's website.

7. Position Available for Meeting Minutes and Recordings

Chair Hughes discussed the District's need to find a person to record and produce the written meeting minutes. Mr. Hawkes discussed his contact with Salt Lake County as a possible source, but they are understaffed with the new Metro-Townships. Suggestions were made on possible places to post position in finding a replacement. Brett Wheelock asked what qualifications are needed for the position. Mr. Bradford replied they need to be able to record the meeting minutes and summarize them in written form.

8. Any Items Requested by Visiting Public, Dismiss Public

Kathy Christensen mentioned at their last meeting with the Emigration Oaks Homeowners Association there was concern the new cut made for the Upper Freeze Creek well may need additional seeding. Mr. Hughes mentioned he would go take a look. Mr. Hawkes replied that it wouldn't hurt to reseed as it would be a good time with the extra moisture. Tyler Tippetts thanked the District for including the Community Firewise Event Invitation in the District's billing. Mr. Hawkes mentioned he could put it on the District's website as well. Mr. Hook inquired about any update on the Wastewater discussions with Salt Lake County and Utah Division of Environmental Quality and Water Quality. Chair Hughes replied that there have been multiple meetings to discuss possible wastewater solutions. Most of them have been pointed towards a sewer collection system, which has very little public support and interest at this point. There are many parties in attendance and assignments are handed out each meeting to look into various aspects of the puzzle. In the last meeting, assignments were given, for example, to see if Salt Lake City would participate in taking the Canyon's wastewater and what conditions would need to be met and if it was even feasible. There is work being done to locate the problem areas of the Emigration Creek and an overlay on possibly addressing specific areas in a cluster system type approach, but there is still a lot of work before any decisions will be

made. Mr. Hook asked if the Community will have a say in the process if the State was to mandate a Canyonwide Sewer System. Chair Hughes replied the Community would have a vote. Mr Cook mentioned the State realizes that if Salt Lake City does not participate, the economical costs of a treatment plant are not feasible. Chair Hughes continued to discuss all the variables that need to be sorted through and the hopes to find some middle ground that makes sense hydrologically to avoid dewatering the stream and economically to clean up a pollution problem and an ongoing septic system failure problem.

Closed Session

MOTION: Board Member Bradford made a motion to convene in closed session for the purpose of discussing litigation. Mike Hughes seconded the motion.

VOTE: Unanimous in favor of the motion.

The Board of Trustees met in closed session to discuss litigation from 7:45 p.m. to 8:46 p.m. Those present included the Board of Trustees, Fred Smolka, Eric Hawkes, Jeremy Cook, Don Barnett, and Joe Smolka.

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 8:46 p.m.