

BOARD OF TRUSTEES MEETING MINUTES

October 18, 2021
District Office
5:00 p.m.

I. CALL TO ORDER

The October 18, 2021, Board of Trustees meeting was called to order by Chair Jan Wilking at 5:00 p.m. Other Board members in attendance were Mary Ann Pack, Robert Richer, Richard Pick, and Steve Joyce. Staff in attendance were Mike Luers, Bryan Atwood, Brian Passey, Dan Olson, Kevin Berkley, and Kim Dudley. Also, in attendance was Jeremy Cook, Cohne/Kinghorn.

II. CONSENT AGENDA

- A. Approval of Board Meeting Minutes for September 20, 2021
- B. Escrow Fund Reduction Approval
 1. Colony at White Pine Canyon Phase 5G
 2. Colony at White Pine Canyon Phase 5H

Mr. Pick made the motion to approve the Consent Agenda, Mr. Richer seconded the motion carried with Mr. Pick, Ms. Pack, Mr. Joyce, Mr. Richer, and Mr. Wilking voting in the affirmative.

III. PUBLIC INPUT – There was no public input.

IV. APPROVAL OF EXPENDITURES – Bills in the Amount of \$1,043,075.45 – Mr. Luers reviewed the Expenditures with the Board. He asked them to consider approval of Expenditures in the amount of \$1,043,075.45.

Mr. Richer made the motion to approve the Expenditures, Mr. Pick seconded the motion carried with Mr. Joyce, Mr. Pick, Mr. Richer, Ms. Pack, and Mr. Wilking voting in the affirmative.

V. SUBDIVISION PROJECTS

Estimated LEA REs Year to Date: # Above Splitter 0; # ECWRF 0; # SCWRF 87; Total 87
Proposed this Meeting: # Above Splitter 0; # ECWRF 0; # SCWRF 0; Total 0

VI. DISTRICT MANAGER

A. Discussion Items

1. 2022 Tentative Budget – Mr. Luers presented the 2022 Tentative Budget to the Board saying no action is required at this time. He said that this is a three-month process, in which the Budget is presented in October, we ask the Board to consider approving the Tentative Budget in November and set a Public Hearing for December where the Final Budget is approved.

Mr. Luers said when we put the budget together in these uncertain times, it leaves some uncertainty. In saying that, Mr. Luers discussed the following issues that will impact the Budget:

Issues Impacting the Budget and District Operations

- Long delivery times
Large trucks – over 12 months
- Supply-chain delays – most everything
- Significant price increases
Manhole covers - \$275 increased to \$450
- Unavailability of certain items

Concrete
Marking paint

Mr. Luers continued with the Budget numbers as follows:

Summary of 2021 Budget / 2022 Tentative Budget Income:

Income:

2021 User Fee Revenues - Budgeted	\$ 11,860,532
2022 User Fee Revenues - Projected	\$ 12,558,300
2021 Impact Fee Revenues - Budgeted	\$ 4,074,242
2022 Impact Fee Revenues - Projected	\$ 5,726,535

Operation and Maintenance Expenses:

2021 O&M Expenses (excluding capital)	\$ 8,388,335
2022 O&M Expenses (excluding capital)	\$ 8,691,485

Mr. Pick stated that we haven't spent the balance of the 2021 budget for collections and asked if will be using those funds in the next 3 months? Mr. Olson said we would be using the funds.

Debt Service:

2021 Debt	\$ 1,387,300
2022 Debt	\$ 1,503,050

Capital Expenses:

2021 User Fee "Renewal" Capital Expenses	\$ 3,550,500
2022 User Fee "Renewal" Capital Expenses	\$ 4,229,500
2021 User Fee Capital Expenses	\$ 778,000
2022 User Fee Capital Expenses	\$ 1,123,670
2021 Impact Fee Capital Expenses	\$ 4,201,000
2022 Impact Fee Capital Expenses	\$ 4,192,330

**2022 Tentative Budget
Noteworthy Items**

Large Projects and Initiative:

ECWRF Expansion Project (99% IF, 1% UF)	\$ 2,467,000
Collection Systems Lining Projects	\$ 1,100,000
Silver Creek Trunkline Rehabilitation (50% IF, 50 % UF)	\$ 3,500,000

Salaries and Wages:

Salaries and Wages Increase by CPI	1.5% (COLA)
Health Insurance Benefits	5.5% increase in premium (average three years including 2022, 4.0%)
Dental Insurance Benefits	1.7% increase in premium (average three years including 2022, 0.7%)

Staffing:

2021 FTE	42
2022 FTE	42

Mr. Luers stated that he would like to revisit the COLA %. He's been watching the market go up since we prepared the budget. He proposed raising the COLA to 2.5% and bring it back to the board next month. Mr. Joyce said that he is a big advocate to pay employee's what they are worth and agrees with the 2.5% COLA.

2022 Tentative Budget
Large Collection System *Renewal Projects

Silver Creek Truckline Rehabilitation (50% UF)	\$ 1,750,000
Pipeline Lining (CIPP) Projects	\$ 1,100,000
Summit Park Reconstruction	\$ 350,000
Lower Park Ave Project	\$ 200,000
Annual System Renewal Funding	\$ 100,000

- Renewal projects are paid for by existing customers and involve extending the life of existing infrastructure

2022 Tentative Budget
User and Impact Fees

User Fees:

2020 Monthly Volume Charge (3%)	\$ 2.77 per 1000 gal
2021 Monthly Volume Charge (3%)	\$ 2.85 per 1000 gal
2022 Monthly Volume Charge (3%)	\$ 2.94 per 1000 gal

2020 Monthly Service Fee (3%)	\$29.13
2021 Monthly Service Fee (3%)	\$30.00
2022 Monthly Service Fee (3%)	\$30.90

Average Monthly Residential Bill:

2020 (based on 4,700 gal/month)	\$42.15 month
2021 (based on 4,700 gal/month)	\$43.40 month
2022 (based on 4,700 gal/month)	\$44.70 month

Impact Fees:

2020 Fee per Living Section (2.75%)	\$2,925 (\$8,772 per RE)
2021 Fee per Living Section (2.75%)	\$3,004 (\$9,012 per RE)
2022 Fee per Living Section (22.20%)	\$3,671 (\$11,013 per RE)

Mr. Luers said the Board would consider approving the Tentative Budget in November and set a Public Hearing for December where the Final Budget is approved.

2. Review and Discuss 2022 Impact Fee Written Analysis, 2022 Impact Fee Facilities Plan and the 2022 Impact Fee Executive Summary – Mr. Luers reviewed the 2022 Impact Fee Written Analysis with the Board stating that these documents are needed to approve the Impact Fee Increase.

B. Action Items – Consider setting Impact Fee Public Hearing for November 15, 2021 – Mr. Luers asked the Board to consider setting the Impact Fee Public Hearing for November 15, 2021 @ 5 p.m.

Ms. Pack made the motion to approve setting the Impact Fee Public Hearing for November 15, 2021 @ 5 p.m., Mr. Richer seconded the motion carried with Mr. Joyce, Mr. Pick, Mr. Richer, Ms. Pack, and Mr. Wilking voting in the affirmative.

- C. Information Items
1. Financial Statement
 2. Impact Fee Report

VII. FUTURE AGENDA ITEMS

- A. Projects
- B. Operations
- C. Finance
- D. Governmental Matters

Mr. Richer made the motion to adjourn to Closed Session @ 5:42 p.m., Mr. Joyce seconded the motion carried with Mr. Joyce, Mr. Pick, Mr. Richer, Ms. Pack, and Mr. Wilking voting in the affirmative.

VIII. CLOSED SESSION – Discuss the character, professional competence or physical or mental health of an individual.

Mr. Richer made the motion to resume Open Session @ 6:25 p.m., Mr. Pick seconded the motion carried with Mr. Joyce, Mr. Pick, Mr. Richer, Ms. Pack, and Mr. Wilking voting in the affirmative.

IX. ADJOURN

Mr. Joyce made the motion to adjourn at 6:30 p.m., Ms. Pack seconded the motion carried with Mr. Pick, Ms. Pack, Mr. Joyce, Mr. Richer, and Mr. Wilking voting in the affirmative.



Jan Wilking, Chairman

Kim Dudley, Administrative Specialist