

**MINUTES OF THE MEETING OF THE
KEARNS IMPROVEMENT DISTRICT (KID) BOARD OF TRUSTEES
HELD JANUARY 9, 2024 AT THE DISTRICT OFFICE
LOCATED AT 5350 WEST 5400 SOUTH, KEARNS, UTAH**

Trustees Present:

Gregory R. Christensen
Jeff Monson
Cheryle A. Hatch

Staff Present:

| | |
|--------------------------|------------------------------------|
| Greg Anderson (via ZOOM) | General Manager/CEO |
| Riley Astill | Finance Director/Controller |
| James “Woody” Woodruff | Public Works Director/Engineer |
| Mark H. Anderson | Attorney |
| Jamie Banh | Executive Administrative Assistant |
| Elizabeth Martinez | Customer Service 3 |
| Dana Timothy | Office Manager |

Call to Order:

Chair Hatch called the meeting to order at 5:30 p.m. and welcomed all those present. The invocation was offered by Riley Astill and the pledge of allegiance was led by James Woodruff.

Public Comments:

There were no public comments.

Administer Oath of Office for newly Elected Board Trustee:

Riley Astill administered the oath of office to Gregory R. Christensen, who was re-elected to the Board of Trustees.

Approval of Minutes (Special Meeting, December 5, 2023; Regular Meeting, December 12, 2023):

None of the Trustees having any comments or recommendations regarding the minutes, it was moved by Trustee Monson and seconded by Trustee Christensen as follows:

That the December 5, 2023 special Board meeting minutes be approved as presented.

The motion carried with Trustees Hatch, Monson and Christensen each voting in the affirmative.

It was moved by Trustee Monson and seconded by Trustee Christensen as follows:

That the minutes of the December 12, 2023 Board meeting be approved as presented.

The motion carried with Trustees Hatch, Monson and Christensen each voting in the affirmative.

Board Training - "Customer Refunds and GRAMA":

Elizabeth Martinez began her presentation by briefly informing the Trustees about herself. She started as a part time employee in 2011 and, after two years, was offered full time employment with the District, currently serving in a Customer Service 3 position. She then explained that title companies, when conducting a closing on a property served by KID, will contact the District to ascertain the amount of service charges applicable to the property. The title company will then collect that amount and remit it to KID as part of the closing. She also reviewed the assessment procedure that is utilized to collect accounts and the customer refund procedure that comes into play when a property is sold, or a customer moves. She then reviewed the District's website, particularly regarding transparency. Last year only five GRAMA records requests were processed by the District. The Trustees joined in expressing their appreciation to Ms. Martinez for her presentation and for being a valued KID employee.

Discuss the General Manager's Report:

A copy of Greg Anderson's Report was included in the Board Book. Mr. Anderson reviewed high points from the Report, including the status of the Senate Bill 34 Study Group regarding the potential of eliminating property taxes used to "subsidize" water and sewer rates; a resolution with Reynolds Excavation regarding the illegal use of unmetered water at a construction site; a reminder that Mr. Woodruff demonstrated the Story Board last month, which is now live on KID's website, and there will soon be a Spanish version; and a declaration that it was "very fun" to tell KID's story to industry leaders from around the nation on an EPA live ZOOM meeting regarding KID's 2023 Excellence in Public Outreach and Public Education Award.

Discuss the Public Works Report:

A copy of James Woodruff's monthly Public Works Report was included in the Board Book. Using slides to demonstrate his points, Mr. Woodruff reviewed high points from the Report including information regarding sewer video inspections, exercising water valves and water line repairs; water meter replacements; and pump repairs and replacements. He went into detail regarding new sampling stations; GIS engineering service activities; and compliance with the lead and copper rule – he does not expect to find any lead pipes or fittings within KID's water service

area and expects to complete the inspections and submit the report well before the mandatory deadline.

Discuss the Administrative and Financial Reports:

The monthly Administrative and Financial Reports, including the Financial Summary, the Customer Service Summary, the Statement of Net Position, and the Statement of Revenues & Expenses, was included in the Board Book. Mr. Astill reviewed the financial numbers for the month of November, noting that early property tax receipts resulted in net income that was more than \$870,000 above the budgeted amount. Mr. Astill responded to questions from Chair Hatch and Trustee Christensen. Mr. Astill noted that November water sales were on track with budgeted amounts, there being only a \$4,152 difference, and reviewed the District's reserve funds. Mr. Astill noted that the Water Development & Wastewater Treatment Fund, which totals \$7,763,337, will be used to make Central Valley capital project payments, thereby avoiding having to pay interest on a bond issued by Central Valley to finance capital improvements.

Consider the Check Register:

The November 2023 Check Register, which is a list of all payments made during the month, was included in the Board Book. In response to a question from Chair Hatch, Mr. Astill explained that payments to the Terminix Processing Center were for pest control services. He also responded to a question from Chair Hatch regarding payments to RelaDyne West, LLC. In response to a question from Trustee Monson regarding Hexcel, Mr. Woodruff explained that the Hexcel flow meter is not reading correctly. The meter will be replaced after the illegally dumped contaminants have been cleaned out of the sewer line. Mr. Astill added that wastewater flow estimates are currently being used, until a new meter is installed. Chair Hatch commented on KID's power bills.

Following the discussion, it was moved by Trustee Christensen and seconded by Trustee Monson as follows:

That the November 2023 Check Register be ratified and approved as presented.

The motion carried with Trustees Hatch, Monson and Christensen each voting in the affirmative.

Consider Training Requests:

There were three training requests to be considered by the Board. First, the AWWA (American Water Works Association), ACE24 Conference that will be held in Anaheim, California in mid June. Greg Anderson recommended that three Trustees and four staff members be authorized to attend the Conference. Trustee Christensen indicated that he will not attend.

It was moved by Trustee Monson and seconded by Trustee Christensen as follows:

That two Board members and four staff members be authorized to attend the ACE24 Conference, running from June 10 through June 13, 2024, in Anaheim, California at District expense.

The motion carried with Trustees Hatch, Monson and Christensen each voting in the affirmative. Details regarding the Conference were included in the Board Book.

Greg Anderson noted that registration is now open for the annual ESRI (GIS) Conference in San Diego, California in mid July. He stated that there is no cost for the Conference, other than travel expenses, including lodging and meals.

It was moved by Trustee Monson and seconded by Trustee Christensen as follows:

That one staff member be authorized to attend the ESRI (GIS) Conference in San Diego, California from July 15 through July 19, 2024, at District expense.

The motion carried with Trustees Hatch, Monson and Christensen each voting in the affirmative.

A schedule for the upcoming RWAU (Rural Water Association of Utah) Annual Conference was included in the Board Book. Greg Anderson recommended that all three Trustees and two staff members be authorized to attend the Conference. Chair Hatch and Trustee Monson indicated that they will not be able to attend.

It was moved by Trustee Monson and seconded by Trustee Christensen as follows:

That one Board member and two staff members (the motion was amended to three staff members) be authorized to attend the RWAU Annual Conference in St. George, Utah from February 26 through March 1, 2024, at District expense.

The motion carried with Trustees Hatch, Monson and Christensen each voting in the affirmative.

Consider Purchases/Costs Over \$50,000:

James Woodruff stated that Whitaker Construction Co., Inc. submitted an invoice (Application for Payment No. 13) for work on the 4700 South Outfall Sewer completed during the month in the amount of \$730,002.18, less a 5% retention of \$36,500.11, yielding a net payment due of \$693,502.07, which Mr. Woodruff recommended be approved for payment. The Application for Payment and supporting documentation were included in the Board Book. In response to a question from Trustee Christensen regarding the installation of a sewer pipe under the Jordan River, Mr. Woodruff explained that, with the river flows being low, this is a good time to install the pipe.

It was moved by Trustee Christensen and seconded by Trustee Monson as follows:

That Application for Payment No. 13 submitted by Whitaker Construction Co., Inc. be approved for payment in the amount of \$693,502.07.

The motion carried with Trustees Hatch, Monson and Christensen each voting in the affirmative.

Consider Bond Releases/Reductions:

Documentation for water and sewer system bond releases covering the Sunset Hills Phase 3, 4 and 5 Subdivisions and the Olympic Park Subdivision was included in the Board Book. Final inspections and punch list items have been completed on all of the subdivisions, and Mr. Woodruff recommended approval of all four bond releases.

It was moved by Trustee Monson and seconded by Trustee Christensen as follows:

That the remaining 10% bond be released for the Sunset Hills Phase 3 Subdivision in the amount of \$64,921.80.

The motion carried with Trustees Hatch, Monson and Christensen each voting in the affirmative.

It was moved by Trustee Monson and seconded by Trustee Christensen as follows:

That the final 10% of the bond for the Sunset Hills Phase 4 Subdivision be released in the amount of \$25,504.60.

The motion carried with Trustees Hatch, Monson and Christensen each voting in the affirmative.

It was moved by Trustee Monson and seconded by Trustee Christensen as follows:

That a final 10% bond release be approved for the Sunset Hills Phase 5 Subdivision in the amount of \$22,072.70.

The motion carried with Trustees Hatch, Monson and Christensen each voting in the affirmative. There was a brief discussion during which Mr. Woodruff and Greg Anderson provided information regarding the Sunset Hills development.

It was moved by Trustee Christensen and seconded by Trustee Monson as follows:

That the final 10% of the Olympic Park Subdivision bond be released in the amount of \$26,605.90.

The motion carried with Trustees Hatch, Monson and Christensen each voting in the affirmative.

Elect & Appoint KID Officers:

There was a brief discussion regarding a two year rotation of Board officers and rotating the Central Valley Reclamation Facility Board member position. A 2024 Officer Chart was filled out during the discussion as follows: Board Chair, Gregory R. Christensen; Board Vice Chair, Jeff Monson; Board Clerk, Cheryle Hatch; District Clerk, Riley Astill; Treasurer, Greg Anderson; Secretary to the Board, Mark H. Anderson; Records Officer, Dana Timothy; Central Valley Water Reclamation Facility Board Member, Cheryle Hatch (effective in February); Central Valley Water Reclamation Facility Board Alternate, Greg Anderson; Utah Association of Special Districts Representative, Greg Anderson; Utah Association of Special Districts Alternate Representative, Gregory R. Christensen; Kearns Metro Township Liaison, Cheryle Hatch; Kearns Community Council Liaison, Jeff Monson; and Sick Bank Committee Chairman, Jeff Monson.

It was moved by Trustee Monson and seconded by Trustee Christensen as follows:

That the 2024 Kearns Improvement District officers be approved and appointed as discussed.

The motion carried with Trustees Hatch, Monson and Christensen each voting in the affirmative.

Chair Christensen asked Trustee Hatch to continue to chair the meeting.

Confirm & Schedule 2023 Audit:

Riley Astill requested the Board's authorization and approval to schedule the annual financial audit with the auditing firm Hansen, Bradshaw, Malmrose, Erickson, P.C. (HBME), which is under contract with the District.

It was moved by Chair Christensen and seconded by Trustee Monson as follows:

That the District's 2023 audit be scheduled with Hansen, Bradshaw, Malmrose, Erickson, P.C., as presented.

The motion carried with Trustees Christensen, Monson and Hatch each voting in the affirmative.

Review of Conflict-of-Interest Policy and Signing of Disclosure Form and Review of Ethical Behavior Policy and Signing of Pledge Form:

Agenda items IV. C. and D. were considered together.

Each Trustee was presented a copy of the Kearns Improvement District Conflict of Interest Disclosure Form and of the Kearns Improvement District Ethical Behavior Pledge Form, each of which was filled out and individually signed by the Trustees. Staff members are also expected to sign a Conflict of Interest Disclosure.

Discuss/Consider Edits to Policies and Procedures Title 2, Chapter 1 – Personnel:

The Board of Trustees and management staff have been reviewing and preparing edits and amendments for the District’s Personnel Policy over the past two months. Rachel Anderson reviewed specific language regarding unpaid leave, medical leave and maternity leave to make sure the Policy complies with current law and is consistent with short-term and long-term disability insurance requirements. Mark Anderson presented alternative approaches to Section 2.1.12, Employee References, and the Trustees selected the following language to be included in the Section:

In response to a reference request concerning an employee or former employee of the District (each an “employee”), it is the policy of the District to provide only the following information: (i) verification that the employee worked, full time or part time, for the District during a stated period; (ii) a description of the position held; and (iii) verification that the employee achieved a given salary range.

Mark Anderson will also provide a Tuition Reimbursement Form to implement Subsection 2.1.13.B.8. A few other corrections to the Personnel Policies were noted, primarily consisting of the insertion of spaces between words and between Subsections, a minor rewrite of the second bullet point under Subsection 2.1.17.F.2., and the deletion of a few unneeded words.

Following the discussion, it was moved by Chair Christensen and seconded by Trustee Monson as follows:

That Title 2 – Chapter 1 of the District’s Administrative Policies and Procedures, Personnel, be amended as discussed and that the amended Personnel Policy supersede and replace the prior Personnel Policy.

The motion carried with Trustees Christensen, Monson and Hatch each voting in the affirmative.

Present General Manager’s 2023 – Kearns Improvement District – “A Year of Excellence”:

A copy of Greg Anderson’s annual State of the District Message, entitled “2023 – A Year of Excellence”, was included in the Board Book and is available at the District office. Greg Anderson responded to a series of questions from Chair Christensen regarding specific subjects in the message, at the conclusion of which Chair Christensen declared that 2023 was indeed excellent for the District and stated to Mr. Anderson “you and your staff have made KID a premium organization.” The other Trustees echoed Chair Christensen’s thoughts.

Central Valley Water Reclamation Facility:

Trustee Monson, who is KID’s representative on the Central Valley Water Reclamation Facility Board until next month, reviewed Central Valley activities over the past year noting, among

other things: that Central Valley received a \$167,000 rebate from Rocky Mountain Power and expects, due to operational changes, to save at least \$98,000 per year on electricity going forward; garden plats have been made available by Central Valley to members of the community, mostly refugee families; a number of capital projects are being closed out; asphalt is being laid; the sewage treatment plant is dealing with ammonia better than anticipated; new generators are being delivered; Olympus Insurance presented a premium increase, but an effort is being made to manage insurance needs better; Keith Lord, the retired former General Manager of the Taylorsville Bennion Improvement District, is the new Central Valley Board member representing the Mount Olympus Improvement District; and Trustee Monson has been “very impressed” with Central Valley’s operations, which are “moving in a good direction”.

Jordan Valley Water Conservancy District:

Chair Christensen noted that there was no Jordan Valley Water Conservancy District Board meeting in December but, nevertheless, a lot has happened, including: the approval of the appointment of three Jordan Valley Trustees by the Utah State Senate, with two additional appointments pending; a number of personnel changes have been made; and Jordan Valley is considering a policy to limit the delivery of water to new developments.

Utah Association of Special Districts:

The January Utah Association of Special Districts Board meeting had not yet been held.

Kearns Metro Township Council:

Trustee Hatch reported on a Kearns Metro Township Council meeting that was held the previous night. During that meeting, Unified Police Chief Hughes recognized UPD police officers; Trustee Hatch shared information regarding KID’s What’s Happening website and provided information regarding KID’s “.gov” domain change; Renee Plant from the Wasatch Front Waste and Recycling District reported regarding waste management; there was a discussion of competitions at the speed skating oval; an ordinance was considered to prohibit the location of new storage units within the Metro Township; and the Planning Commission will have the authority to approve subdivisions under particular circumstances.

Kearns Community Council:

There was no report.

ChamberWest – Board of Directors, Board of Governors & Legislative Affairs:

A copy of the January 4, 2023 ChamberWest Legislative Affairs Committee agenda was included in the Board Book. Greg Anderson briefly reported concerning a number of Bills that will be introduced during the upcoming session of the Utah Legislature.

Trustee Per Diem Report:

There was a brief discussion of the events listed in the Trustee Per Diem Report, a copy of which was included in the Board Book.

Possible Closed Meeting – Evaluation of General Manager

It was moved by Trustee Monson and seconded by Chair Christensen as follows:

That the Board meeting be closed to discuss the character and professional competence of an individual.

The motion carried with Trustees Christensen, Monson and Hatch each voting in the affirmative, and Trustee Hatch declared the meeting to be closed at 7:53 p.m. Everyone, with the exception of Trustees Christensen, Monson and Hatch, then left the Board room.

Trustee Hatch declared the meeting to again be open at 8:21 p.m. No action was taken during the closed portion of the meeting other than the approval of a motion to come out of the closed meeting made by Trustee Monson and seconded by Chair Christensen.

Consider Evaluation of the General Manager

Trustee Hatch declared that, in the Board's opinion, Greg Anderson's service over the past year as General Manager of the District has been "fantastic", highlighted by his involvement with so many activities and organizations, his leadership, and the recognitions that the District has received. Chair Christensen declared that Mr. Anderson has gone "above and beyond" expectations.

It was moved by Chair Christensen and seconded by Trustee Monson as follows:

That the General Manager be awarded an annual salary of \$205,000, effective retroactively to January 1, 2024.

The motion carried with Trustees Christensen, Monson and Hatch each voting in the affirmative.

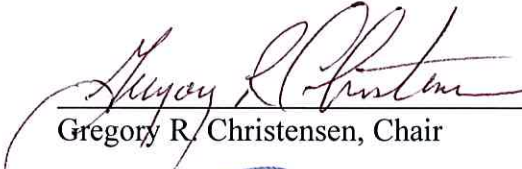
Greg Anderson thanked the Trustees, and stated that he is very honored to serve the District. Trustee Monson declared that the grants that Mr. Anderson has been instrumental in obtaining for the District have saved the District and its customers a great deal of money and have helped place the District in good financial shape. He stated that the Trustees appreciate Mr. Anderson and the service he provides. Greg Anderson responded that he was "overwhelmed".

Adjourn:

There being no further business to come before the Board, Chair Christensen declared the meeting to be adjourned at 8:25 p.m.

Approved by the Board of Trustees of the Kearns Improvement District on the 6th day of February, 2024.

Date: 12 Mar 2024



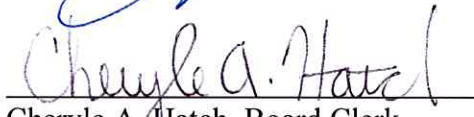
Gregory R. Christensen, Chair

Date: 12 March 2024



Jeff Monson, Vice Chair

Date: March 12, 2024



Cheryle A. Hatch, Board Clerk