

Tab 5

MONDAY, JUNE 17, 2024

Minutes of the 884th meeting of the Metropolitan Water District of Salt Lake & Sandy Board of Trustees held Monday, June 17, 2024 at 5:32 p.m. at 3430 E Danish Road, Cottonwood Heights, UT 84093.

The following trustees attended the board meeting:

Tom Godfrey	-Chair
John S. Kirkham	-Vice Chair
Patricia Comarell	-Secretary
Donald Y. Milne	-Trustee *electronic participation*
Joan Degiorgio	-Trustee
John H. Mabey, Jr.	-Trustee
Cindy Cromer	-Trustee

The following staff and guests attended the board meeting:

Wayne Winsor, Assistant General Manager – Chief Administrative Officer
Gordon Cook, Assistant General Manager – Chief Operating Officer *electronic participation*
Darin Klemin, IT Manager
Michael Whiteley, IT Cybersecurity Manager
Ammon Allen, Engineering Manager
Kelly Stevens, Senior Engineer
Nathan Scown, Operations Manager
Jeremiah Hinrichs, Water System Operator
Jeff Matheson, Laboratory Manager
Breana Jackson, Executive Administrator
Sonya Shepherd, HR Program Manager/Clerk
Josh Croft, Accountant
Jeff Budge, Provo River Water Users Association
Mike Whimpey, Central Utah Water Conservancy District
Chris Thunhorst, Hazen and Sawyer
Trevor Lindley, Brown & Caldwell
Tom Ward, Sandy City Public Utilities
Rachel Anderson, AE2S
Jesse Allen, GSBS Architects
Steve Van Maren, Sandy City resident

Closed Session Agenda

1. Deployment of security personnel, devices, or systems
2. Pending or reasonably imminent litigation

Work Session Agenda

1. Finished Water Capital Improvement Program – Update

- a. Cottonwoods Connection Progress
2. Open and Public Meetings Act training
3. Other

Board Meeting Agenda

1. Call to order
2. Public comment
3. Finance Committee report
 - a. Consider acceptance of financial reports
 - b. Reporting items
4. Consider approval of changes to Policies and Procedures of the District
5. Engineering Committee report
 - a. Consider cooperation agreement – Allmark and Johnson
 - b. Consider MAR SIBs and Site Infrastructure Change Order No. 2
 - c. Consider contract for LCWTP Admin Campus Improvements
 - d. Consider contract for SLA Hardening – Finished Water Reaches
 - e. Consider contract for LCWTP Solids Removal Project 2024
 - f. Consider FY2025 fleet procurement
 - g. Consider purchase of SLA Intake trash rake replacement
 - h. Consider FY2025 Capital Budget Modifications
 - i. Consider approval of Exchange Agreement
 - j. Capital projects report
6. Consider election of officers
7. Discuss and consider approval of board committee assignments
8. Consider approval of Board Meeting minutes dated May 20, 2024
9. Reporting/Scheduling items
 - a. Property Tax Update
 - b. Water supply and demand update
10. Other business
11. Items to be discussed at future meetings
12. Suspend Board Meeting for Public Hearing

Public Hearing Agenda

1. Open Public Hearing
2. Presentation of Fiscal Year 2025 Budget
3. Public comment
4. Close Public Hearing

Resumed Board Meeting Agenda

13. Consider approval of Resolution 1935 adopting the fiscal year 2025 tentative budget
14. Consider August 12, 2024 for Truth in Taxation hearing
15. Adjourn

Closed Session

Mr. Kirkham motioned to go into closed session to discuss deployment of security personnel, devices, or systems. Ms. Comarell seconded the motion and the motion passed unanimously. All board members were present. The following staff were also present: Mr. Cook, Mr. Winsor, Ms. Jackson, Mr. Allen, Mr. Klemin, Mr. Whiteley, and Ms. Cepernich.

Mr. Kirkham motioned to go out of closed session. Mr. Mabey seconded the motion and the motion passed unanimously.

Mr. Kirkham motioned to go into closed session to discuss pending or reasonably imminent litigation. Ms. Degiorgio seconded the motion and the motion passed unanimously. All board members were present. The following staff were also present: Mr. Cook, Mr. Winsor, Ms. Jackson, Mr. Allen, and Ms. Cepernich.

Mr. Kirkham motioned to go out of closed session. Ms. Cromer seconded the motion and the motion passed unanimously.

Work Session

Finished Water Capital Improvement Program - Update

Mr. Allen reviewed the background and purpose of the Finished Water Capital Improvement Program. He then explained the timing of the projects involved in the program. Mr. Allen provided updates on the Salt Lake Aqueduct Replacement, Little Cottonwood Conduit Replacement, Administration Campus Improvements, Salt Lake Aqueduct Hardening, and Little Cottonwood Water Treatment Plant Rebuild projects. The board asked for a copy of the project schedules.

Mr. Stevens provided a construction update on Cottonwoods Connection. He explained the three schedules involved in the project and the contractors for each schedule. Mr. Stevens also shared recent construction photos.

Open and Public Meetings Act training

Ms. Shepherd explained the purpose of the Open and Public Meetings Act and shared a video. She presented more details on quorums, holding closed sessions, minutes, and recordings.

Board Meeting

Call to order

At 5:32 p.m. the Chair, Mr. Godfrey, called the meeting to order and welcomed board members, staff, and visitors.

Public comment

No public comments were made.

Consider acceptance of financial reports

Mr. Kirkham motioned to accept the April 2024 financial statements. Ms. Comarell seconded the motion and the motion passed unanimously.

Consider approval of changes to Policies and Procedures of the District

The District's Policies and Procedures Manual is reviewed annually following the legislative session. The review is conducted by staff and legal counsel, then brought to relevant board committees.

The Management Advisory Committee reviewed the proposed changes to the Policies and Procedures Manual except for Chapters 3, 4, 5, and 16. The Finance Committee reviewed proposed changes to Chapters 3, 4, and 5, and the Engineering Committee reviewed proposed changes to Chapter 16.

Mr. Mabey motioned to approve the changes to the Policies and Procedures of the District. Ms. Degiorgio seconded the motion and the motion passed unanimously.

Consider cooperation agreement – Allmark and Johnson

Mr. Johnson currently maintains two moveable carports within the SLA easement and to-be-acquired SLAR easement. The proposed Cooperation Agreement documents the terms under which those carports may exist within the SLAR easement. Ms. Cepernich noted the changes to the agreement including breach impacts and language.

The Engineering Committee discussed this item on June 4, 2024 and recommended approval of the modified agreements.

Ms. Comarell motioned to approve the modified Easement Agreement and Cooperation Agreement, with non-substantive changes as determined appropriate by the General Manager and legal counsel. Mr. Kirkham seconded the motion and the motion passed unanimously.

Consider MAR SIBs and Site Infrastructure Change Order No. 2

The board previously approved a contract for \$5,550,687 to COP Construction to construct the surface infiltration basins and site infrastructure portion of the Aquifer Storage and Recovery Pilot Testing and Phase 1 project. The redesign of the electrical and piping systems in the well house resulted in changes amounting to \$62,913.99 with a contract completion date of July 25, 2025. If approved, this change order will represent a 0.92% cumulative change order increase to the project.

The Engineering Committee discussed this item on June 4, 2024 and recommended board approval of change order.

Mr. Mabey motioned to approve Change Order No. 2 for the Aquifer Storage and Recovery Pilot Testing and Phase 1 – SIBS and Infrastructures project in the amount of \$62,913.99. Ms. Degiorgio seconded the motion and the motion passed unanimously.

Consider contract for LCWTP Admin Campus Improvements

The Cottonwoods Connection Project, IT Master Plan, and LCWTP Rebuild Project have each identified construction needs on and around the LCWTP Administration Building. The LCWTP Admin Campus Improvements will resolve portions of each of these projects by constructing a new server room and conduit pathways, install native, drought-tolerant landscaping, and add a secondary access to the LCWTP from the Administration Building.

A Request for Statements of Qualifications was advertised for the project and two submissions were received. The selection committee recommended contract with GSBS Architects and negotiations began on May 3, 2024.

The location of the server has yet to be determined, therefore the scope of the project has been split in two. This scope includes determining the appropriate, code-compliant location for the server room. Once complete, the second scope will complete final design and bidding services for the project.

The Engineering Committee discussed this item on June 4, 2024 and recommended Board approval of the contract.

Mr. Kirkham motioned to approve a contract with GSBS Architects for preliminary design of the Administration Campus Improvements in the amount of \$54,960, pending approval of the FY2025 capital budget. Ms. Cromer seconded the motion and the motion passed unanimously.

Consider contract for SLA Hardening – Finished Water Reaches

The Finished Water Resiliency Program is the District's master planning effort to improve the finished water portion of the District's services and includes the Salt Lake Aqueduct Replacement (SLAR), LCWTP Rebuild, and Salt Lake Aqueduct (SLA) Hardening – Finished Water Reaches along with ancillary projects.

A Request for Statements of Qualifications was advertised for the project and three submissions were received. The selection committee recommended contract with the team of Bowen Collins & Associates and Brown & Caldwell. Negotiations began on May 3, 2024. Staff recommended a contract not to exceed \$2,000,000 for preliminary design.

The Engineering Committee discussed this item on June 4, 2024 and recommended Board approval of the contract.

Ms. Degiorgio motioned to approve a contract with Bowen Collins & Associates for preliminary design of the Salt Lake Aqueduct Hardening – Finished Water Reaches in an amount not to exceed \$2,000,000, pending approval of the FY2025 capital budget. Mr. Kirkham seconded the motion and the motion passed unanimously.

Consider contract for LCWTP Solids Removal Project 2024

Solids accumulate in drying basins throughout the year as part of plant operations. These solids must be periodically removed from the beds and disposed, typically in a landfill. Currently, LCWTP Basins 4 and 5 have solids to be removed.

A notice inviting bids was advertised and three bids were received. The apparent low bid was TLC Rock with solids removal occurring in July and August 2024.

The Engineering Committee discussed this item on June 4, 2024 and recommended Board approval of the contract.

Mr. Kirkham motioned to approve a contract TLC Rock for the LCWTP Solids Removal Project 2024 in the amount of \$66,040.20, pending approval of the FY2025 capital budget. Ms. Cromer seconded the motion and the motion passed unanimously.

Consider FY2025 fleet procurement

The District standardizes its fleet with Ford vehicles to improve maintenance efficiency and reduce shelf parts. Staff seeks approval of \$75,000 for the utility truck and up to \$55,000 for the two ½-ton pickups. Current quotes suggest \$66,583.34 for the utility truck (including the utility bed) and \$47,272.88 for the ½-ton pickups.

The Engineering Committee discussed this item on June 4, 2024 and recommended Board approval of the procurement.

Mr. Mabey motioned to approve procurement, under state contract, of a one-ton utility truck not exceeding \$75,000 and two ½ ton pickups not exceeding \$55,000 each, pending approval of the FY2025 capital budget. Mr. Kirkham seconded the motion and the motion passed unanimously.

Consider purchase of SLA Intake trash rake replacement

The trash rake at the Salt Lake Aqueduct Intake at the base of Deer Creek Dam was installed in 2001. The trash rate is failing and replacement parts are not available. As the primary source of water to the Little Cottonwood Water Treatment Plant, the intake should be addressed as soon as possible.

The District's Policies & Procedures Chapter 6-802 allows for an award of contract without engaging in standard procurement process, with a notice of determination from the Board of Trustees. Staff recommends portions of the trash rake system remain in place as their removal and replacement would greatly increase the replacement cost and constructability. Staff obtained a quote from Atlas Polar in the amount of \$229,602.48 and published a Notice of Proposed Sole Source Procurement on the District's website as required by state code.

Mr. Kirkham noted the comment deadline had passed. The Engineering Committee discussed this item on June 4, 2024 and recommended Board approval of the purchase.

Mr. Kirkham motioned to approve an amount not to exceed \$250,000 to Atlas Polar for a new Salt Lake Aqueduct Intake trash rake, pending approval of the FY2025 capital budget. Ms. Comarell seconded the motion and the motion passed unanimously.

Consider FY2025 Capital Budget Modifications

Since presenting the tentative budget, changes to some project categories have occurred. Staff seeks the following modifications to the FY2025 capital budget: an additional \$250,000 be added to the capital Repair and Replace budget for SLA intake Trash Rake Replacement, an updated estimate of \$1,750,000 for the Managed Aquifer Recharge construction deferred from FY2024 to FY2025, and an increase of \$20,000 for contract services for public relations/public involvement consulting services.

The Engineering Committee discussed two of the three changes on June 4, 2024 and recommended Board approval with the modifications. Mr. Godfrey noted the increase of \$20,000 for contract services was not discussed with the Engineering Committee.

Ms. Comarell motioned to approve an additional \$250,000 be added to the capital Repair and Replace budget for SLA intake Trash Rake Replacement, an updated estimate of \$1,750,000 for the Managed Aquifer Recharge construction, and an increase of \$20,000 for contract services for public relations/public involvement consulting services, pending approval of the FY2025 capital budget. Mr. Kirkham seconded the motion and the motion passed unanimously.

Consider approval of Exchange Agreement

The District, the Provo River Water Users Association (Association), and the Watershed Enhancement Trust (Trust) have agreed to exchange up to 700 acre-feet of Provo River Project (PRP) water for a like amount of Ontario Drain Tunnel water to represent the Beaver Shingle Creek Irrigation Company's (BSC) 700 shares of the Association stock in Great Salt Lake. This agreement allows BSC and the Trust to enjoy the steady availability of the ODT water and related use of PRP facilities and capacity.

The terms of the agreement will be for as long as the change application is effective, but the District is able to terminate with a year's notice.

The Engineering Committee discussed this item on June 4, 2024 and recommended Board approval of the agreement.

Mr. Kirkham motioned to approve the exchange agreement between the District, Beaver Shingle Creek Irrigation Company, et. al. as provided to the board. Ms. Comarell seconded the motion and the motion passed unanimously.

Capital Projects report

Mr. Godfrey welcomed any questions regarding the capital projects report.

Consider election of officers

Mr. Milne motioned to approve Tom Godfrey as the chair, John Kirkham as the vice chair, and Pat Comarell as secretary. Ms. Degiorgio seconded the motion and the motion passed unanimously.

Discuss and consider approval of board committee assignments

Mr. Kirkham motioned to approve the existing board committee assignments. Mr. Mabey seconded the motion and the motion passed unanimously.

Consider approval of Board Meeting minutes dated May 20, 2024

Ms. Cromer motioned to approve the Board Meeting minutes dated May 20, 2024 with the change of one punctuation error. Mr. Milne seconded the motion and the motion passed unanimously.

Reporting/Scheduling items

Both Sandy City and Salt Lake City councils have both provided feedback for the District's proposed property tax increase and a public hearing will be scheduled. Ms. Comarell shared positive feedback relayed to her from a Sandy City Council member.

Mr. Sorensen provided a water supply update for the board. He mentioned the water forecast and reservoir levels then reviewed water deliveries, average precipitation levels, and water supply projections.

Other business

Mr. Scown reported on a recent incident regarding a sinking boat in Deer Creek Reservoir. Mr. Hinrichs reported on the recent truck crash near Little Cottonwood Creek.

Mr. Godfrey extended the board's welcome to new employees.

Mr. Kirkham noted for the upcoming Sandy City Public Utilities Advisory Committee there is a tour at 7:30 AM.

Items to be discussed at future meetings

No items were discussed.

Suspend Board Meeting for Public Hearing

Ms. Comarell motioned to suspend the board meeting for the public hearing. Ms. Degiorgio seconded the motion and the motion passed unanimously.

Public Hearing

Open Public Hearing

Mr. Godfrey opened the public hearing.

Presentation of Fiscal Year 2025 Budget

Mr. Winsor provided a presentation on the FY2025 budget. He explained the O&M summary, staffing, compensation, and employee benefits. Ms. Comarell noted the District's merit increase is based off of what similar entities are offering. Mr. Winsor presented the FY25 Capital Improvement Plan overview, cash flow, interest expense, costs from other agencies, revenue analysis, and the cash flow summary.

Public comment

No comments were made.

Close Public Hearing

Mr. Mabey motioned to close the public hearing and resume the board meeting. Ms. Comarell seconded the motion and the motion passed unanimously.

Resume Board Meeting

Consider approval of Resolution 1935 adopting the fiscal year 2025 tentative budget

Mr. Kirkham motioned to approve Resolution 1935 adopting the FY2025 tentative budget. Ms. Degiorgio seconded the motion and the motion passed unanimously.

Consider August 12, 2024 for Truth in Taxation hearing

Mr. Kirkham motioned to approve August 12, 2024 for the Truth in Taxation hearing. Ms. Comarell seconded the motion and the motion passed unanimously.

Adjourn

At 6:32 p.m. the board meeting adjourned.

Tom Godfrey, Chair

Patricia Comarell, Secretary

Unapproved