

Tab 4

MONDAY, AUGUST 7, 2023

Minutes of the 875th meeting of the Metropolitan Water District of Salt Lake & Sandy Board of Trustees held Monday, August 7, 2023 at 3:30 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
Cindy Cromer	-Trustee
Joan Degiorgio	-Trustee
John H. Mabey, Jr.	-Trustee
Donald Y. Milne	-Trustee

The following staff and guests attended the board meeting:

Annalee Munsey, General Manager
Wayne Winsor, Assistant General Manager – Chief Administrative Officer
Gordon Cook, Assistant General Manager – Chief Operating Officer
Darin Klemin, IT Manager
Kelly Stevens, Senior Engineer
Ammon Allen, Engineering Manager
Nathan Scown, Assistant Operations Manager
Sonya Shepherd, HR Program Manager
Josh Croft, Accountant
Michelle Fordham, Administrative Assistant
Steve Slack, Maintenance Manager
Dani Cepernich, Snow, Christensen & Martineau
Jesse Stewart, Salt Lake City Public Utilities
Tom Ward, Sandy City Public Utilities
Mike Whimpey, Central Utah Water Conservancy District
Will Bowman, Kimley-Horn
Steve Cunningham, Draper Irrigation Company
Bryson Greenhalgh (Jason Woods’ contractor) Love & Light
Jason Kennedy, (Jason Woods’ contractor) Love & Light
Stockton Donos, AE2S
Megan Callister, David Evans and Associates, Inc.
Jason Luettinger, Bowen Collins & Associates
Steve Van Maren, Sandy Resident

Work Session Agenda

1. Report on Water Quality
2. Update to Property Tax Position statement
3. Report on the Property Tax Process
4. Other

Board Meeting Agenda

1. Call to order
2. Public comment
3. Engineering Committee report
 - a. Consider Woods right of way appeal
 - b. Consider approval of LCCr Reliability Improvements consultant
 - c. Consider approval of FY24 actuator procurement
 - d. Consider approval of GIS consultant services agreement
 - e. Consider approval of pump station analysis consultant services agreement
 - f. Consider approval of Draper Irrigation Company Reuse Agreement
 - g. Reporting items
4. Consider acceptance of financial reports
5. Consider approval of Board Meeting minutes dated June 12, 2023
6. Consider approval of property tax position statement
7. Reporting/Scheduling items
 - a. Water supply and demand update
 - b. Semi-annual deposits and investments report
 - c. Quarterly check register
 - d. Electronic payments
 - e. Credit card expenditures
8. Other business
9. Items to be discussed at future meetings
10. Adjourn

Work Session

Report on Water Quality

Mr. Scown presented the report on water quality. With the increase in water this year, there have been comparisons to the wet 1983 year and concern of floods. The District has been able to let water from Little Cottonwood Creek flow to the Great Salt Lake to help there. The operators were dealing with difficult water quality conditions this year associated with high flows from runoff. There has also been an increase in organics in the water. Backwashes have increased significantly at Little Cottonwood Water Treatment Plant this year in comparison to the past few years due to high turbidity. Mr. Scown shared several pictures demonstrating the high turbidity in various locations. The operators also performed jar testing to find a solution to improve the water quality of our treated water. They take pride in their work and do an awesome job. The operators have an internal goal to keep turbidity levels below 0.1. Due to their best efforts, only two of the 122 backwashes performed this year exceeded the internal goal.

Update to Property Tax Position statement

A lengthy discussion was had amongst the trustees on suggested wording, language and clarification changes to update the Property Tax Position statement.

Report on the Property Tax Process

Ms. Munsey provided a report on the property tax process for FY2025. Discussions will be held with the administrative staff, mayor and council of both cities. Trustees are invited to attend any of these meetings. A meeting will be scheduled with the chairs and council members from Salt Lake City and Sandy City councils in order to achieve consensus on the property tax and water rate approach for next fiscal year. Ms. Munsey shared that her conversations with everyone involved have been very positive and they appreciate the District reaching out early to manage everyone's expectations

Ms. Cepernich researched statutes and strategies to approach the member cities with an increase to the property tax above the District's certified rate. The District is unique because it requires that both member cities' councils approve any property tax rate increases that exceed the certified rate before the District may levy a rate increase. A majority of the appointed trustees of a city from our board are required to present the proposal to their city's council to increase the property tax above the certified rate. The proposal must be a separate agenda item of the meeting. Council members and members of the public must have the opportunity to provide comments during the meeting in regards to the proposal. An action must be taken by roll call vote of the member cities that complies with the Open and Public Meetings Act.

The board authorized Ms. Cepernich to create a memo for our member cities outlining this process. Her memo will include a chart and checklist to aid Board members with knowledge of the property tax process. The board and staff will begin the process early to allow adequate time to complete the process before the August truth in taxation deadline.

Other

No other items were discussed.

Board Meeting Agenda

Call to order

At 4:44 p.m. the Chair called the meeting to order and welcomed board members, staff, and visitors.

Public comment

No comments were made by the public.

Consider Woods right of way appeal

Address: 6233 S. Canyon Cove Circle, Holladay, UT 84124

Interest: Tract 445 (Easement)

SLA Station: 1944+30

Mr. Allen reviewed the Woods right of way appeal. On May 22, 2023 an updated proposal, with appeal, was received from Mr. Jason Woods. He originally applied for, and was denied, use of the Salt Lake Aqueduct corridor in March 2022. The only items brought forward on appeal were the Verti-Block retaining walls. Staff proposed a modified motion for the Boards' consideration:

- Allow installation of retaining walls (Verti-Block) in compliance with District standard specifications to address maximum height, minimum horizontal separation between walls, drainage, maximum block width, use of geogrid or engineered fill, etc. provided the homeowner executes a Cooperation Agreement that 1) removes District liability if walls are removed/damaged; 2) does not require District to re-establish, repair, or replace walls or driveways; and 3) makes homeowner responsible for additional costs to operation, maintenance, repair and replacement of District facilities.

The standard specification mentioned above would be discussed with the Engineering Committee on September 5th and would propose a policy change dependent upon how the Board moves forward with this appeal. Mr. Allen provided additional background on why the District is considering this type of retaining wall with a policy change to Chapter 16.

Mr. Godfrey asked why there was a need to modify the original recommendation with the addition of the specifications. Mr. Allen responded that staff reviewed the user manual for Verti-Block and realized there were many details that staff did not know or understand. There was a need to put boundaries in place for use of Verti-Block. Mr. Allen stated staff was requesting the allowance of use of Verti-Block. If a modification of policy was made, then an appeal is no longer necessary. Mr. Mabey stated the Engineering Committee did not realize the District did not have specific standards in place for specifications to use Verti-Block. Mr. Godfrey stated the Board should delay the appeal until September when there was a more specific recommendation in place. Ms. Comarell shared this is a major shift from what has been done in the past, but is helpful to discuss and can make enable modifications to policy as appropriate. Ms. Cromer shared waiting to discuss the appeal again in September is problematic to the homeowner because of the possibility of less favorable weather in the near future. Mr. Kirkham stated he would like to hear from the applicant to share their concerns. The applicant, Mr. Woods, was not present. His representative and contractor, Mr. Bryson Greenhalgh, spoke on behalf of Mr. Woods.

Mr. Greenhalgh, responded to questions presented by the Board in regards to the height of the Verti-Block and low invasiveness of the block. Mr. Greenhalgh shared they would like to find a resolution to the retaining wall. Engineering has not been provided because he was unsure of how the Board would respond to the appeal. He shared that Verti-Block is a longer lasting material and is very easy to dismantle which is why it was proposed as an alternative for a retaining wall. Mr. Mabey reiterated as part of the agreement with the homeowner, the District would not be liable for rebuilding the retaining wall if it is dismantled. Mr. Kirkham asked for clarification on what was being asked of the Board in regards to this appeal. Ms. Comarell stated the District's policy needs to be modified before a decision is made on the appeal. However, for Mr. Greenhalgh, he can proceed with designing the retaining wall and work with staff to ensure the policy is being met. Once a new policy is in place, then the Board can proceed with approving the installation of the Verti-Block retaining wall.

Mr. Kirkham motioned to authorize the Engineering Committee to amend the right of way policy to include Verti-Block or similar system to be presented at the next Board meeting. Ms. Comarell seconded the motion and the motion passed unanimously.

Consider approval of LCCr Reliability Improvements consultant

Staff desires to upsize the replacement of the Little Cottonwood Conduit (LCC) from the lower intake to the LCWTP to reduce dependency on the Murray Hydroplant Penstock and improve performance in hazard events. The Engineering Committee met on July 18 to discuss award to Bowen Collins & Associates for preliminary design engineering for the Little Cottonwood Creek Reliability Improvements.

Mr. Godfrey asked for clarification on the water seepage savings right. Mr. Stevens explained that when the Murray City Hydroplant intake is unavailable, the District has to let the water run down the stream and collect it in our second lower intake structure. During that flow through the stream, water is lost into the ground through seepage. The replacement of the LCC is an attempt to save the 8 cfs rather than being lost into the ground.

Mr. Kirkham motioned to approve the award of a professional services contract to Bowen Collins & Associates for the LCCr Reliability Improvements in the amount of \$200,000.00. Mr. Mabey seconded the motion and the motion passed unanimously.

Consider approval of FY24 actuator procurement

Staff identified five flocculation basin inlet gate actuators and one filter-to-waste valve and actuator in need of replacement due to either failure or lack of replacement parts. A 48-inch sluice gate actuator on the POMA Connection Structures also needs replacement.

Mr. Godfrey asked for clarification on the need for quotes if these purchases would be done through a sole source provider. Mr. Winsor confirmed the purchase of the actuators is through a sole source provider. He then explained that the filter-to-waste plug valve/actuator combination purchase had not been advertised as part of the budgeting process. As a result, it was brought to the Engineering Committee for clarity purposes of purchasing this item from the same vendor and using the same budget account. Quotes were provided from other manufacturers, however Rocky Mountain Valve & Automation was shown to provide good value to the District.

Mr. Milne motioned to approve Rocky Mountain Valve & Automation be awarded the purchase of the identified electric actuators and valves in the amount of \$101,210.80. Ms. Degiorgio seconded the motion and the motion passed unanimously.

Consider approval of GIS consultant services agreement

The professional services agreement will provide assistance to staff in upgrading and maintaining the District's Geographic Information Systems (GIS) and to train District staff on the system. The described services will continue through June 30, 2028.

Ms. Munsey stated the services agreement was previously awarded to CRS Engineers. A selection committee ranked the nine firms who responded to the Request for Statement of Qualifications. Since David Evans and Associates, Inc. had the highest ranking, the Engineering Committee recommends entering into a professional services agreement with said company.

Mr. Milne motioned to approve award of a professional services agreement for GIS services to David Evans and Associates, Inc. for five years through June 30, 2028. Ms. Comarell seconded the motion and the motion passed unanimously.

Consider approval of pump station analysis consultant services agreement

The District has four pumps which provide flow into the Little Cottonwood Conduit (finished water). These pumps were installed in 1960 as part of the original LCWTP construction. The District desires to perform an assessment of the pump station to determine capacity, performance and longevity. Additional assessments of District pump stations are planned over the next seven years.

A selection committee ranked the seven firms that responded to the Request for Statement of Qualifications with pump station assessment capabilities. The firms were rated for firm qualifications, individual qualifications, and references. Since Kimley-Horn had the highest rating, the Engineering Committee recommends entering into a professional services agreement with said company through June 30, 2030.

Mr. Milne motioned to approve award of a professional services agreement with Kimley-Horn for pump station assessment services through June 30, 2030. Ms. Degiorgio seconded the motion and the motion passed unanimously.

Consider approval of Draper Irrigation Company Reuse Agreement

Sandy City desires to support Draper Irrigation Company (DIC) with its sewer effluent reuse project. This includes reuse of certain water under Sandy's water rights, including that under the District's Ontario Drain Tunnel water right.

Mr. Milne noted that Tom Ward of Sandy City and Steve Cunningham of Water Pro were in the meeting with the Engineering Committee on July 18, 2023 and gave their comments.

Ms. Munsey indicated that Ms. Cepernick was there to answer any questions regarding the memorandum.

Mr. Kirkham questioned an item in section 4.1 of the Companion Water Reuse/Recycling Authorization Contract Among Sandy City, MWDSLS, and Draper Irrigation Company. The line in question states "MWDSLS has not agreed to allow any other entity or person to reuse the described water". Mr. Kirkham suggested the definition of 'reuse water' as described in Chapter 3c Wastewater Reuse Act, Part 1, 73-3c-102 Definitions (8) may have implications for our aquifer storage and recovery. He recommended removal of that sentence to avoid potential

confusion in the future. Ms. Cepernich explained that this statement was added to indicate that the only reuse the District is authorizing is by Draper Irrigation Company to limit the authorization that is given so another entity could not piggyback off this agreement. We want to make it clear that Draper Irrigation Company cannot give someone else permission to rely on its' own permission.

Mr. Kirkham's also questioned section 4.6 in the same agreement. He quoted, "Notwithstanding anything in this Agreement...MWDSLs shall not be liable for incidental or consequential damages . . ." Mr. Kirkham could see no way to make that enforceable and questioned to whom does that apply. Ms. Cepernich stated it was intended to apply to all parties in the agreement. Mr. Kirkham stated he would add that wording to the agreement.

Mr. Kirkham motioned to approve the Draper Irrigation Company Reuse Agreement subject to council evaluating the suggestions. Ms. Degiorgio seconded the motion and the motion passed unanimously.

Mr. Godfrey recognized Mr. Ward for comments. Mr. Ward commented that Sandy City owns shares of the Draper Irrigation Company. Sandy City has several parks that are served by DIC. This agreement will help Sandy City make better use of their shares. He thanked the Board for their support.

Consider acceptance of financial reports

Mr. Kirkham stated the reports in the packet are for May 31st and we are now past the end of our fiscal year.

Mr. Kirkham motioned to accept the May 2023 financial reports. Mr. Milne seconded the motion and the motion passed unanimously.

Consider approval of Board Meeting minutes dated June 12, 2023

Mr. Godfrey requested that the minutes include the details of option two of the liability insurance coverage. The minutes should reflect the option that was approved by the board. Ms. Cromer noted a formatting error in the minutes.

Mr. Kirkham motioned to approve the Board Meeting minutes dated June 12, 2023 with the noted changes, Ms. Comarell seconded the motion and the motion passed unanimously.

Reporting items

Ms. Cromer requested to hear more about the financial strategist in the budget from the FY 2024 Capital Projects Report. Ms. Munsey explained it is related to help with funding strategies regarding WIFIA funding sources since this is not something we have used in the past. It is a carryover item from the previous year, but there is not currently a consultant for that budget item.

Consider approval of property tax position statement

Ms. Degiorgio motioned to approve the property tax position statement to reflect changes made in the work session. Ms. Comarell seconded the motion and the motion passed unanimously.

Mr. Kirkham asked if the Board would see a final version of the statement before it is published. Mr. Godfrey confirmed the Board will see an updated copy of the statement.

Reporting/Scheduling items

Mr. Scown provided a water supply and demand update for the Board. He shared the allocation of water sources that have been used during the water year. He also reported on the Little Cottonwood Creek runoff and the water levels in Utah Lake.

Mr. Cook reported on the flooding caused by the August 4, 2023 storm that produced more than two inches of rain in one hour in the Draper area. He stated we were fortunate that the runoff was on the opposite side of the road and did not impact POMA. There were some power outages, but the District's generators functioned as needed and our operators mitigated any problems that arose to ensure there were no disruptions.

Mr. Kirkham noted the Finance Committee received the semi-annual deposits and investments report, quarterly check register, electronic payments, and credit card expenditures for review.

Other business

Mr. Godfrey recognized Terry Worley for 15 years of service and Mike Carter for 5 years of service to the District. He also congratulated Ammon Allen, Steve Slack, Andy Reidling, James Rowell, Darren Weller and Booth Jenson on their promotions. He also recognized new employees Michelle Fordham, Audrey Allen and Isaac West. Mr. Godfrey asked to extend the Board's congratulations.

Items to be discussed at future meetings

No items were discussed.

Adjourn

At 5:45 p.m. the board meeting adjourned.

Tom Godfrey, Chair

Patricia Comarell, Secretary