

EMIGRATION IMPROVEMENT DISTRICT
BOARD OF TRUSTEES REGULAR MEETING

THURSDAY, DECEMBER 13, 2018

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

Regular Meeting

Board Members in Attendance: Mike Hughes – Chair, Brent Tippetts – Co-Chair, David Bradford – Secretary/Clerk

Ex Officio: Eric Hawkes—District Manager, Jeremy Cook – Legal Counsel

Chair Hughes called the meeting to order at 7:00 p.m.

1. Consent Approval - Minutes for November 14, 2018

MOTION: David Bradford made a motion to approve the minutes of the November 14, 2018 Trustee Meeting as written. Brent Tippetts seconded the motion.

VOTE: Unanimous in favor of the motion.

2. Financial Considerations & Report

Mr. Hawkes gave a summary of the monthly financial considerations and reports. In response to a question from Chair Hughes, Mr. Hawkes stated that the certified delinquent never gets to zero because some people don't pay their taxes. He then brought up the need to amend the 2018 budget to put more money into the legal category. After a discussion about the various bills still expected through the end of the year, the Board agreed to move \$10,000 from maintenance to legal.

MOTION: David Bradford made a motion to amend the budget by moving \$10,000 from maintenance to legal fees. Brent Tippetts seconded the motion.

VOTE: Unanimous in favor of the motion.

3. Approve 2019 Board Meeting Schedule

The Board discussed when they would like to meet next year. They agreed to continue with the 2nd Thursday of each month.

4. FY2019 Budget Hearing

Chair Hughes opened the public budget hearing. Mr. Hawkes presented the projected budget. After looking at the proposed budget, Mr. Tippetts asked legal counsel if it is realistic that the legal fees will be less next year. Mr. Cook said that he did think it was realistic and explained his reasoning. He outlined various potential situations. Regarding the pending litigation (false claims act) the 10th circuit has delayed the hearing. The US Supreme Court will be hearing a case on the same issue. If that ruling is favorable, that ends the case and there would be very little expense. If the Supreme Court doesn't rule favorably, there could be fees later in the year. Even so, Mr. Cook doesn't anticipate it being nearly as much next year as this year. To this point, the Supreme Court hasn't even scheduled the hearing yet. The change application could be appealed, but Mr. Cook is optimistic that the state engineer will rule in favor of the District and optimistic it won't be appealed. Chair Hughes opened the budget hearing for public comment. The only questions came from Paul Brown, who asked if the YTD actuals reflect through November or December. Mr. Hawkes replied that it is most of it, but maintenance is usually a month behind. In response to Mr. Brown's next question about impact fees and standby fees, Eric Hawkes explained how impact fees and standby fees work. There were no other questions from the public. Mr. Hughes closed the hearing.

MOTION: David Bradford made a motion to adopt the budget for 2019. Brent Tippetts seconded the motion.

VOTE: Unanimous in favor of the motion.

5. Water Right Hearing – Schedule and Format -- Dec 19th at 1:15 –Division of Water Rights

Mr. Hawkes outlined the format of the upcoming water right hearing. The District will have 30 minutes to present, then each protestant will have 5 minutes each, after which the District can offer a rebuttal. It is less formal than court hearings. Chair Hughes encouraged everyone to

attend; it would be nice to have support from people who are on the system. The hearing will be at the Division of Water Rights: 1594 W North Temple, Room 1050.

6. Water Levels Report

Mr. Hawkes reported that the usage for November was 1.7 million with 302 connections. Last year the usage was higher even with fewer connections (1.9 million and 292 connections). In October 2018 the usage was 2.4 million--in 2017 it was 2.7 million. This is good news as it shows that, per capita, water usage is down. He then presented the monitor wells report. The bottom of the canyon hasn't started to recharge yet. It has started to recharge along the upper and middle parts of the canyon. The data shows how extremely dry this year has been—the levels haven't been this low since 1992. Conversation shifted to arguments for the water right hearing. The Board was hopeful that the people that come to the hearing will leave better informed about the facts. After the hearing, the Board would like to make progress toward better disseminating information to the public. Paul Brown expressed that he doesn't understand Mr. Tracy's protest. In looking at the ECHO fee schedule, Mr. Brown expressed confusion about why residents would pay so much money to have their water turned off.

7. Maintenance Report

Brigham Fork Well Repair:

Mr. Hawkes reported that Aqua Engineering has been working with a company that may have an option to do a subsurface treatment. He will have numbers by the next meeting. Mr. Hawkes understood that it would entail pumping it as it is, treating it, filtering it, and putting it in the system. The plastic is out down to 500 feet (where the tool is). Casing goes all the way down 1200 feet. Fracking it isn't an option because of the inability to get deep enough. The tool that is stuck is approximately 22 feet long and weighs over 10,000 pounds. Chair Hughes stated that before he puts more money into this well, he wants to know that it is a long-term solution rather than a Band-Aid. He is open to any solutions by Aqua Environmental, but he'd like to explore the option to go above the well. It could be a great option. They would lose the hole but save the infrastructure and develop a spring.

Telemetry Repair Progress:

Mr. Hawkes is waiting for the actual proposal of cost. This company is proposing a titanium transducer which would be more robust and less corrosive. It would be similar inside (sensors, etc.) but the casing would be more robust. The District would have to convert the communication to what is currently in place. The Board expressed frustration about why the telemetry has been such a long-term problem. They would really like to be able to get accurate data from the wells. The District has had a recording of why Upper Freeze Creek was kicking off and on. This happened quite often in the summer but is less frequent now. They figured it is

not the main power feed but something to the PLC. The PLC was replaced this year, but it seems the information coming to the PLC is faulty.

Road Repair from Ground Water @Killyons Lane:

EID added a connection up Killyons but there was water leaking onto the road. After getting a chlorine sample, when they tried to dig it up, they couldn't find the leak. It's ground water. The District is aware of high groundwater in Killyons and salt composition at the bottom of Pinecrest. EID patched it, but they may have to patch it again in the spring. Mr. Tippets voiced a possible solution to redirect the ground water using the path of least resistance. The Board discussed areas that need to be fixed, particularly in the springtime. The Board discussed a concern on Pioneer Ridge Rd at a District valve where they may need to put a pipe through the retaining wall to allow the ground water to drain. It is a fair amount of water. Last year, Troy Bierman trenched one spot on the uphill side of the road, putting in gravel and perforated pipe. There is constant flow from the drain pipe Troy Bierman put in. Mr. Hughes said we need to fix it in the spring. It is in the middle of the road, but Joe Smolka said it would be possible to do it without damaging the road. It is a safety hazard. The District will need to redo the asphalt patch.

8. Any Items by Visiting Public, Dismiss Public

There were no other comments.

9. Closed Session

MOTION: Board Member David Bradford made a motion to convene in closed session to discuss pending and imminent litigation. Brent Tippets seconded the motion.

VOTE: Unanimous in favor of the motion.

The Board of Trustees met in closed session from 8:10 p.m. to 9:10 p.m. Those present included the Board of Trustees, Eric Hawkes, Jeremy Cook.

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 9:10 p.m.

Minutes Approved