

EMIGRATION IMPROVEMENT DISTRICT

BOARD OF TRUSTEES REGULAR MEETING

MONDAY, NOVEMBER 16, 2015

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

Board Members in Attendance: Mike Hughes – Chair, David Bradford, Mark Stevens by telephone

Ex Officio: Eric Hawkes—Manager, Jeremy Cook—Legal Counsel, Don Barnett—Barnett Intermountain Consulting

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

1. Consent approval – Minutes for October 15, 2015

MOTION: David Bradford made a motion to approve the minutes of the October 15, 2015, Board of Trustees meeting as written. Mark Stevens seconded the motion.

VOTE: Unanimous in favor of the motion, 2 to 0. Mike Hughes abstained from the vote, as he had not reviewed the October 15 minutes.

2. Financial considerations and report

Mr. Hawkes reviewed the monthly financial report and fund balances as of November 11 as shown on his printed report.

Chair Hughes asked about the certified delinquents. Mr. Hawkes replied that the District has collected about \$8,000 in certified delinquent fees so far, and they should receive more as people pay their taxes. Mr. Cook suggested that Mr. Hawkes check with the County to determine how funds are allocated to certified delinquent amounts when people pay their taxes.

Mr. Hawkes explained that two categories in the budget need to be adjusted in order to release payment. One is legal fees, and he anticipated they would need an additional \$24,000 in that account to cover expenses for the remainder of the year. The Board Members and Mr. Cook discussed the possibility of the insurance company helping to cover the legal fees. The utilities account also needs to be adjusted, and Mr. Hawkes anticipated that approximately \$6,000 needs to be transferred to that account. He suggested that they transfer \$20,000 from the Maintenance and Repairs account and \$10,000 from the Pinecrest Exploration account.

MOTION: Mike Hughes made a motion to transfer \$20,000 from the Maintenance and Repairs account to the Legal Fees account, and to transfer \$10,000 from the Pinecrest Exploration account, with \$4,000 being allocated to the Legal Fees account and \$6,000 being allocated to the Utilities account. David Bradford seconded the motion.

VOTE: Unanimous in favor of the motion.

3. Concerns regarding FCOZ in Emigration Canyon and Salt Lake City approval

Gary Bowen read from Salt Lake County Ordinance 19-72, Foothills and Canyons Overlay Zone, Section 19-72-020.D. He explained that the FCOZ ordinance was passed in the 1990's and is in the process of being amended. He stated that Curtis Woodward was invited to attend the Emigration Canyon Community Council meeting in October, and Mr. Bowen suggested some things that need to be added to the ordinance but did not mention this section. He explained his concerns about this section and noted that a Metro Township will be in place in the Canyon by 2017. He discussed the process he went through in 1998 with FCOZ to get his home remodeled and problems that others have had. In some cases, applicants are referred to Salt Lake City and denied because of this section of the FCOZ ordinance. He would like to see language in this section of the ordinance that other local water jurisdictions such as the EID have the same rights as Salt Lake City. He suggested that the Board invite Curtis Woodward to an EID meeting to discuss the changes to the FCOZ ordinance, especially with Emigration Canyon becoming a Metro Township, and he did not want Salt Lake City to have anything to do with it.

Mr. Barnett believed that had to do with the drinking water source protection zones for Salt Lake City, but that should actually go from the Division of Drinking Water to the County. Mr. Bowen believed it should be brought to the County's attention that this may be in conflict with State legislation regarding drinking water source protection. Because Emigration Canyon will be a Metro Township, something should be done to exempt the Canyon from this section of the ordinance, especially since the EID has the senior water rights in the Canyon.

Board Member Stevens was excused from the remainder of the meeting.

Board Member Bradford asked what process Mr. Bowen suggests. Mr. Bowen suggested that the Manager or one of the Trustees call the County to discuss this and ask that Emigration Canyon be exempted or that the EID should have territorial rights in Emigration Canyon. Chair Hughes felt they need to draft this in writing rather than verbally and requested that Mr. Cook draft proposed language to submit to the County before they amend the ordinance.

4. 2015 elections information and unofficial results

Mr. Hawkes reported that the canvass of the election results must be done tomorrow and sent to the County before 8:00 p.m. He reported that he has already posted notice of a meeting for the canvass for tomorrow evening at 7:00 p.m.

5. Review and discussion of 2016 Budget

Mr. Hawkes reviewed the proposed budget for 2016 and the amended 2015 budget. He explained each of the revenue accounts shown on his printed report in detail.

In the expense categories, the Board Members discussed the Pinecrest Exploration account, and it was suggested that they keep \$10,000 in that account. They also discussed the Hydrological Engineering and Consulting account and the need to file a permanent change application for the District's water sources and points of diversion and determined that they should budget \$40,000 in that account. The Board Members and Mr. Cook discussed the Legal Fees account and determined that it should remain at \$40,000 for 2016.

MOTION: David Bradford made a motion to adopt the proposed 2016 budget. Mike Hughes seconded the motion.

VOTE: Unanimous in favor of the motion. Mark Stevens was not present for the vote.

6. Open house – feasibility study update and report

Brad Rasmussen from Aqua Engineering was not present, and this item was not discussed.

7. Water report and well levels

Mr. Barnett reported that water usage continues to stay down for both total usage and per connection usage. He reported that the Brigham Fork well was not used to provide water in the system for the last month, but they continue to exercise it.

Mr. Hawkes reported that the wells are coming on about every other day. The well levels are 906 feet at Upper Freeze Creek, 214 feet at Brigham Fork, and 50 feet at Well 2.

8. Any items requested by the visiting public

Board Member Bradford noted that the secretary who prepares the minutes will retire at the end of the year, and the Board has not discussed a replacement. Chair Hughes suggested that they advertise for the position, and Mr. Cook suggested that they put an RFP on the website to see if they get some proposals.

Steve Hook commented that this election had the highest voter turnout he has seen in Emigration Canyon. He asked if there is any voter information the Board could get from the County Clerk's office that would be helpful in terms of how certain areas of the Canyon voted. Mr. Cook and the Board Members were not aware of any data of that kind. Mr. Bowen noted that the County is in the process of dividing the Canyon into five districts, and in the future, it may be possible to get that type of information. Mr. Hook commented that it was interesting to see what was posted on the other candidates' website after the election and asked if the District can do anything to work with those candidates to get the lawsuit resolved. Mr. Cook replied that they cannot.

Kathy Christensen commented that she did everything she could think of to keep the current Board Members in office. She was extremely concerned about what would happen if two of the

other candidates were elected and was very pleased that the current Board Members were re-elected.

Chair Hughes reported that it was suggested in the special district training that they look at letting all of their contracts again. He suggested that item be placed on the next agenda and that they look a timetable for doing so. He did not want to have any issues about that in the next election. Mr. Hook asked if the Board is aware of legislation that Brian King is working on that would affect special service districts. Chair Hughes replied that is something they should look into. Mr. Bowen stated that Brian King is a personal friend of his, and he offered to call him and talk to him about any pending legislation.

9. Closed session – pending litigation

MOTION: David Bradford made a motion to convene in closed session to discuss pending litigation. Mike Hughes seconded the motion.

VOTE: Unanimous in favor of the motion. Mark Stevens was not present.

The Board of Trustees met in closed session from 8:50 p.m. to 9:05 p.m. to discuss pending and imminent litigation.

MOTION: David Bradford made a motion to dismiss from closed session and to adjourn the regular meeting. Mike Hughes seconded the motion.

VOTE: Unanimous in favor of the motion. Mark Stevens was not present.

The regular meeting of the Emigration Improvement District adjourned at 9:05 p.m.