

MINUTES
TAYLORSVILLE-BENNION IMPROVEMENT DISTRICT
Strategic Planning Meeting
October 02, 2024
Taylorsville-Bennion Board Room

Board Members Present

Don Russell	Chairman
Matthew Swensen	Trustee
Kelton Kleinman	Trustee

Staff Members Present

Mark Chalk	General Manager/Clerk
Tammy North	Director of Engineering & Development
Shawn Robinson	Director of Operations & Maintenance
Bruce Hicken	Director of Finance & Information/Treasurer
Dan McDougal	Director of Risk & Asset Management
Dora Dominguez	Executive Assistant/Office Supervisor
Janet Pratt	Customer Service Representative II
Trina Gleason	Customer Service Representative II
Rochelle Bartschi	Customer Service Trainee

The Board Chair opened the meeting at 8:03 a.m. and welcomed everyone. The invocation was offered by Don Russell.

Public Comments

No public was present.

Approval of Common Consent Items

The minutes for the Board Meeting held on August 21, 2024, were presented for approval. The following motion was made by Trustee Kleinman, seconded by Trustee Swensen:

RESOLVED: To approve the minutes for the August 21, 2024, Board Meeting. The motion passed unanimously with the following votes:

Trustee Russell	Yes
Trustee Swensen	Yes
Trustee Kleinman	Yes

Review future Board Meetings/Public Hearing Schedule

The General Manager reviewed the future board meeting and public hearing schedule. All board meetings and public hearing dates for the remainder of 2024 were confirmed. November 19th and December 18th board meetings will be followed by public hearings.

Recognize TBID for winning best groundwater and best overall water at AWWA IMS

The General Manager was excited to announce that the District had been presented with the Best Groundwater and Best Overall Water Awards for 2024 at the AWWA IMS.

In-depth look at the Customer Service Team (CST)

The Customer Service Team introduced themselves to the board. Dora Dominguez CST Supervisor, Janet Pratt CSR II, Trina Gleason CSR II, and Rochelle Bartschi CSR Trainee presented an overview of their department. The CST explained that they perceive themselves as the District's frontline. They educate customers about water usage, sewer calculations, conservation, and the new meter portal, among other topics. They handle calls regarding main line breaks, dirty water calls, sewer backups, etc. The CST outlined the options and services the District offers to new customers and tenant/landlord accounts. They also support other departments in the District with ongoing scanning projects, updating the emergency preparedness plan, and tracking safety meeting attendance.

The Customer Service Team described themselves as the liaison between the District and residents. District Employees are seen as internal customers, and they receive the same attention and dedication as District residents. Mrs. Dora Dominguez indicated that the CST has built strong relationships with every department in the District in the last several years.

Trustee Kleinman asked for suggestions on how the Executive Management Team and the Board could better support the Customer Service Team. The CST responded that they feel well supported by them.

Mrs. Pratt, Mrs. Gleason, and Mrs. Bartschi left the Strategic Planning Meeting after the presentation.

Lead and Copper Rule Revisions/Improvements Update

The Engineer highlighted the history of the Lead and Copper Rule and Revisions from 1991. The revision proposed in 2021, stated that initial service line material inventory was required by October 16, 2024. This would include both the customer and water system sides of the service line. Unknowns were ok but a plan to identify the unknowns had to be submitted with the inventory.

Taylorsville-Bennion was the first to come up with a proposal the State could accept in order for the District to be classified as not having lead in the system. The proposal stated that the service lines would be considered non-lead if the service line was 2 inches or more in diameter, the service line was installed after the Federal ban in 1986, or there were records that were deemed reliable that identify the material of the service line in front of the meter, behind the meter and at the house.

Any service line not meeting one of the above criteria would be considered unknown. A statistically significant number of service lines was uniformly and randomly selected for verification. The sample size was large enough to ensure a statistical confidence level of 95% with a 5% margin of error that no lead service lines were in the water system.

The District completed the inventory with a statistical confidence level of 95% with a 5% margin of error that no lead service lines exist in the Taylorsville-Bennion Improvement District System.

On November 30, 2023, another rule was proposed building on the Lead and Copper Rule Improvement Revisions. The original inventory requirement and deadline are still in effect. The inventory must be updated to include connectors (goosenecks) on service lines. Material of all unknown service lines shall be identified. The lead action level will be moved to 10 ppp. Water systems must validate the accuracy of the non-lead service line category no later than 7 years after the compliance date, and 100% of lead pipes must be replaced within 10 years.

The District's plan is to begin reviewing records for information on connector materials and add it to the database. Data about service line materials will continue to be gathered where it is unknown. The District will actively engage with the regulatory authorities on what implementation may look like.

New Meter/AMI Installation Update

The Director of Finance reviewed the AMI/Meter replacement project. Mr. Hicken indicated that the old meters were designed to measure less water as they failed. In 2023, 5/8" meters were measuring 94.6%. In 2022, they measured even lower at 92.9%. The lost revenue at the time was estimated at about \$350K.

Mr. Hicken reviewed the AMI meters' performance results. Small meters' performance increased by 16.4%. Climate can probably be attributed to 8.3% of that increase and the 8.1% or \$400K annually to meter accuracy. Large meters performance increased by 19.8%, again 8.3% was probably due to climate and 11.5%, \$41K annually due to meter accuracy. The total captured annual revenue was \$441K, compared to \$350K that had been predicted.

Mr. Hicken remarked that the District does not rely on manual reading anymore. The new AMI meters upload data 4 times per day in 15-minute increments. Continuous flows can be detected remotely, and it is easier to identify meter tampering. Also, high consumption can be flagged to be able to inform customers before they receive their bill. The Customer Service Team can resolve customer inquiries with near real-time data. Accounts can be finalized immediately, and final billing estimates can be more accurate. Customers have access to their data online through the meter portal, and they can set up system alerts.

The Board suggested that the meter portal be promoted on the District's Facebook page, Taylorsville Journal, and a message on the customer's bill. Mr. Hicken remarked that the District is waiting for the final meters to be installed and then the District will be promoting the meter portal.

Trustee Swensen asked if the implementation of AMI meters had an impact on employee labor. Mr. Robinson indicated that AMI meters made no impact as far as employee labor was concerned. There was a shift in the type of work orders the District receives. It changed from final reads to continuous flow checks.

Flushing Program/ Large Meter Update

Flushing Program

Mr. Robinson indicated that the District's goal is to flush the water system in 5 years. The total water footage to be flushed is 1.3 million. In order to meet this goal, the District must flush 259,236 feet per year. At the time this presentation was created, 81,890 feet of pipe had been flushed. However, that number is slightly higher as of the Strategic Planning meeting date. The flushing crew will be flushing through October, November, and most likely December.

Josh King has been assigned to lead the flushing program. He and another crew member work together to place flushing program signs up in the neighborhood and to knock on every resident's door to inform them about the water being shut off. The flushing crew shuts off every setter to prevent customers from getting brown water. Water gets tested for turbidity when the flushing begins. The goal is to bring the turbidity down to 1.5 NTU at most.

Trustee Kleinman asked if turbidity is located in a certain area in the District and if flushing would occur during a drought. Mr. Robinson remarked that turbidity is everywhere in the pipes. Regarding the flushing program during a drought, The General Manager and Mr. Robinson indicated that it would have to be evaluated in a case-by-case scenario due to public perception.

The District Manager stated that part of the research the District is conducting is to find out how fast turbidity accumulates and the benefits of the flushing program. The District might need to hire more employees if the flushing program becomes permanent.

Large Meter Update

Mr. Robinson reported that Marshall Crabtree and Anthony Stoddard are the team working on the Large Meter Changeout with Mr. Crabtree leading the project. Mr. Crabtree and Mr. Stoddard mark blue stakes for the District. They have worked very hard trying to get blue stakes marked as fast as possible to work on the large meter change out. Mr. Robinson noted that the first large meter was changed out on March 7, 2024, and there are about 12 meters left. The plan is to get those 12 meters changed by the end of the year. The last large meter changeout project happened about 20 years ago. Most of the large meters are found in small, narrow vaults. Some of the vaults barely fit one person. It has been challenging for the meter changeout crew to remove old meters and get the new meters installed. Mr. Crabtree has been looking outwards and has come up with great ideas to make upcoming meter changeout projects easier than this time around. Mr. Robinson remarked that the District saved approximately \$1.5M by having the large meters installed in-house.

The Strategic Planning Meeting was paused for a break.

Review Water Conservation Plan Update

Mr. McDougal indicated that the Conservation Plan is required to be updated every 5 years. He noted that in 2000, District water use was calculated to be 244.5 gallons per capita per day

(gpcd). The State of Utah mandated a 25% reduction in water usage by 2025. TBID reached its goal well ahead of the deadline. The State of Utah updated the original conservation goal to reduce water gpcd by an additional 19% by 2065 for the Salt Lake water conservation region.

The updated District conservation goal is to maintain a 5-year average of 171 gpcd through 2029, which is below the regional water conservation goal for Salt Lake at 186 gpcd. Mr. McDougal indicated that the District's plan is to continue to participate in the Utah Water Saver's Program and public conservation meetings for the landscape rebate program. Also, the District will be promoting the meter portal to encourage customers to be in control of their water usage and conservation goals.

Labor Force Review and PEHP Renewal 2024

The General Manager discussed the current labor force in the District. He indicated that several employees are eligible for retirement. One employee retired earlier this year and another employee will be retiring at the beginning of next year. More than half of the District's workforce has been with the District for less than 10 years. The District has been successful in retaining those newer employees.

The General Manager indicated that the GIS Supervisor position that was budgeted for 2024 will be carried over into 2025. The District is still considering options in search of the most suitable solution for brown water issues. The District might need to hire more employees if the flushing program becomes the solution.

The Cost-of-Living Adjustment (COLA) or CPI through July 2024 was 2.6%. This index is for consumable products only and does not consider capital such as housing and vehicles. The General Manager reminded the Board that the July CPI is what the District uses for salary increase purposes. The national average of medical insurance premiums increase is 9.0% for 2025. TBID's PEHP renewal premium increased by 4.6%. The average TBID annual rate change since 2016 is 5.38%. The dental premium for 2025 increased by 5.6%. The average dental premium renewal for TBID since 2015 has been 2.35%. The General Manager explained that PEHP sends a rebate check at the end of the year if there is too much in their pool. In the past 3 years, the District has received rebate checks that have brought the actual renewal rate lower.

Trustee Kleinman commented about using the July 2.6% CPI for the COLA increase. He noted that 2.6% does not sound representative of the actual cost of living. Trustee Swensen echoed Trustee's Kleinman concerns and added that the Board could discuss that topic when the budget is presented. Trustee Russell remarked that the Board also must consider the cost of the benefits package. The General Manager stated that the District had a compensation study performed a few years ago, to ensure that the District compensation was within market range. Trustees Swensen and Trustee Kleinman noted that the District must pay employees for their knowledge and expertise to retain and attract great talent.

Project Review – 10-Year Outlook

The Engineer presented a 10-year project outlook.

2025 Upcoming projects:

- Land for future well
- Truck – Camera #2
- Truck – TV #1
- Wells access control
- Modifications to the board room
- Server room
- New accessory building
- Mini excavator
- Manhole rehabilitation
- PMI manholes
- Stonehollow PMI sewer project
- CIPP sewer rehabilitation
- Engineering for waterline replacement
- Meadowbrook Golf Course waterline replacement
- 1130 W waterline replacement
- Fire hydrant program
- Drilling of the new Barker well
- Genset for treatment sites
- Well Rehabilitation
- VDF replacement – Valley well
- Low Zone South boosters – Chiller and panels
- Middle Zone transmission line alignment study and possible easements
- Hatch replacement at tank sites
- Wells abandonment – White well I, White well II, and Barker Eat well
- Abandon waterline

2026 Upcoming projects:

- Stock inventory
- Land for well and shop
- Water vactor
- East block wall
- Crane truck
- Waterline replacement project
- Upgrades for schools PMI
- Fire hydrant program
- New Barker well house
- Barker well auxiliary power
- Well rehab
- Swensen well VFD
- Low Zone South booster
- Middle Zone transmission line boring and easements
- Stock inventory
- Asset Management study

The Engineer briefly touched on the projects that are planned for 2027-2034, reiterating that all projects are reviewed on an annual basis for completion dates based on needs. Many of the projects between 2027-2034 are routine or regularly scheduled such as waterline replacement projects, well rehabilitation, manhole rehab, booster station rehabilitation, CIPP lining, and equipment replacement. There are a few more specific projects identified in this time frame as well including the West parking lot expansion, office remodel and expansion, replacing the Callaway siphon, 3 on-site hypochlorite generators, Barrington Park sewer lift station rehab, and more well land. The District will need another storage tank when Fore Lakes develops. All these projects are listed in the 20-year Capital Plan.

Financial Update & Projections – 10-Year Outlook

Mr. Hicken presented a 2024 financial review. He remarked that the projected results are \$1.1 million above the 2024 budget. Non-operating budget is projected to end at \$460K under due to the \$1.6M Federal grant that won't be funded this year. Mr. Hicken remarked that the District is expected to end the year \$2.4M better than what was budgeted. Subtracting the \$1.6M Federal grant, the District would end the year \$4M better.

Mr. Hicken indicated that the District would end the year with high cash available due to many projects that are being carried over into 2025. District reserves have been adjusted and are fully funded, as approved by the Board. Operating revenue includes a 3.4% rate increase, and operating expenses include a 4.4% increase. Interest income has been increased for 2025.

Operating income includes a 3% rate adjustment, and the Central Valley fee will remain the \$12/ERU/month. Operating expenses for Jordan Valley increased 5.5%, \$119,000. Operating expenses for Central Valley decreased 5.6%, \$292,500 thanks to the siphon. The operating allocation for Central Valley has decreased by 0.5-0.6% in the operating and capital expenses due to the reduced sewer flow after the siphon was installed.

Mr. Hicken noted that the 2025 budget includes a significant increase in waterline maintenance because of a waterline abandonment. General Liability insurance premiums are projected to increase by about 6.8%. An election may occur in 2025 and \$50K has been set aside. The budget shows a reduction in diesel since the new tank will be filled up this year. Depreciation is 14% for 2025.

The overall operating budget increase is 4.4%, without depreciation it would be 2.5%. If depreciation and the one-time waterline abandonment were deducted, the budget increase would be 0.7%. The expected water and sewer rate increase through 2027 is 3%. In the next 10 years, TBID capital projects will cost approximately \$97M and Central Valley capital projects will cost approximately \$28M. The District has been able to slightly drop rate increases for a couple of years where rates were expected to increase by 4.5% or 5.5%. In 2032, TBID was planning on issuing bonds in the amount of \$10M. Instead, the District is able to estimate issuing only \$6M.

Consider approval of Resolution 24-10, Water and Wastewater Rules & Regulations Amendment

The General Manager reviewed the Water and Wastewater Rules and Regulations Amendment. He indicated that the District's purpose in updating the Rules and Regulations is to be explicit and match what the District is currently practicing. The General Manager stated that the Attorney had reviewed all revisions to confirm TBID is in compliance.

- General Provisions, 13.3 – The word “accessing” was added to specify that unauthorized access to or interference with any components of the District's infrastructure, including but not limited to the meter boxes is unlawful.
- Water Provision, 6.2 b. –The word “residential” was added to be more specific.
- Wastewater Control Provisions, 2.2 – This part was updated to match what the District is practicing already. A single lateral may be allowed to a residential or mixed-use multi-unit structure subject to meeting certain criteria.
- Wastewater Control Provisions, 4.9.1 e. – The District specified that grease interceptors may be placed on dedicated lines for grease management.

The following motion was made by Trustee Swensen, seconded by Trustee Kleinman:

RESOLVED: To approve Resolution 24-10, Water and Wastewater Rules & Regulations Amendment. The motion passed unanimously with the following votes:

Trustee Russell:	Yes
Trustee Swensen:	Yes
Trustee Kleinman:	Yes

Consider Approval of Resolution 24-11, Administrative Policies and Procedures Amendment

The General Manager presented Resolution 24-11, Administrative Policies and Procedures Amendment with the revisions shown in red. He remarked that the Attorney had reviewed all revisions to confirm TBID is in compliance. Several sections were amended to include a designee in case the General Manager is not available. The General Manager reviewed in detail the most important changes. The General Manager would be allowed to participate in Board meetings remotely if needed. The Treasurer would ensure that banking institutions have a current signature card on file. The Reserves and Contingency section was changed from \$15M to \$12.5M, as had been discussed in an earlier board meeting. Credit Card Purchases policy changed to allow District staff to use the District credit cards as determined by the General Manager. Insurance Coverage was updated to include earth movement insurance. Allowable Investments was simplified to include any investments that are consistent with the Utah Money Management Act. The Risk Management Objectives and Processes chapter was reworded significantly.

Trustee Swensen suggested that Mr. Hicken's title on the Administrative Policies and Procedures align with his District title. The General Manager remarked that the Administrative Policies and Procedures will be updated to match Mr. Hicken's title.

The following motion was made by Trustee Kleinman, seconded by Trustee Swensen:

RESOLVED: To approve Resolution 24-11, Administrative Policies and Procedures Amendment subject to updating Mr. Hicken’s title. The motion passed unanimously with the following votes:

Trustee Russell: Yes
Trustee Swensen: Yes
Trustee Kleinman: Yes

Consider Approval of Resolution 24-12, Employee Handbook Amendment

The General Manager presented Resolution 24-12, Employee Handbook Amendment, and noted that the organization Chart had been updated to reflect the consolidation of two departments in the Operations & Maintenance Department. After Ron Stock, the System Controls Supervisor retires at the beginning of 2025, the System Controls and Field Support Departments will merge into one department called Water Quality. The Water Quality department will be supervised by Mr. Marshall Crabtree. The following motion was made by Trustee Swensen, seconded by Trustee Kleinman:

RESOLVED: To approve Resolution 24-12, Employee Handbook Amendment. The motion passed unanimously with the following votes:

Trustee Russell: Yes
Trustee Swensen: Yes
Trustee Kleinman: Yes

Brainstorming for the Future

The General Manager indicated that business office hours are 7:30– 4:30 pm, Monday through Friday. Every other department in the District works 7:30-4:00 pm including field employees who meet with customers for water turn-ons or leak checks. The General Manager suggested aligning business office hours with other District department hours. This will help avoid customer confusion when the District does not have service men available later in the day. The Board agreed.

The District currently has two breakrooms. Field employees use the East breakroom. The East breakroom fits approximately 8 employees. Field employees stagger lunch hours, eat in the Bay Area, or in their car for lack of space. The General Manager suggested a bigger breakroom to fit all field employees. Trustee Kleinman expressed concern about building a new breakroom and having employees continue to use the bay area or their car for lunchtime. The District will inquire among employees about the possibility of a bigger breakroom and get their feedback.

The District might be losing the East parking to the Bus Rapid Transit. The East parking is where most of the employees park. If the District loses the East parking lot, the City might be willing to help pay to expand the westside parking lot.

A couple of items are being discussed in the next legislative session. There is a proposal to increase Board member's compensation from \$5,000 to \$7,500 per year and add an annual

increase of 2.5%. Second, regarding the Tier 2 threshold where employees had to start paying into their pension plan this year. There is a proposal to allow employers to absorb that cost at the employer's discretion. The District budgeted money for this purpose, in case the Board wants to absorb this cost as discussed earlier this year.

California ruled that fluoridation is not in the best interest of the public. It might be something coming to Utah in the future.

Adjourn: The following motion was made by Trustee Kleinman, seconded by Trustee Swensen:

RESOLVED: To adjourn the Strategic Planning Meeting. The time was 12:30 p.m. The motion passed unanimously with the following votes:

Trustee Russell:	Yes
Trustee Swensen:	Yes
Trustee Kleinman:	Yes



Don Russell, Chair of the Board of Trustees