

**Mt. Nebo Water Agency Meeting
June 23, 2014**

Board Members: Vice Chair Gene Shawcroft, Central Utah Water; Richard Davis, Spanish Fork City; Rick Moore, Payson City; Randy Brailsford, Salem City; Larry Ellertson, Utah County (alternate); Danny Throckmorton, Strawberry High Line Canal Company .

Via Phone: Marcus Faust, Washington Counsel.

Board Alternates: Jamison Thornton, Highline Canal; Soren Christensen, Salem City;

Technical Committee: Chris Thompson, Spanish Fork City; Chris Hansen CUWCD.

Staff: S. Junior Baker, Shelley Hendrickson, Steven E. Clyde and Marcus Faust (via telephone).

Public present: Jeremy Sorensen, David Tuckett, Breanne Moore.

Absent: Gary Anderson, Utah County; Warren Peterson, Goshen Valley Local District; Tyler Coon, Goshen Valley Local District.

The meeting was called to order at 8:37 a.m.

ADOPTION OF MINUTES

Richard Davis **moved** to **approve** the April 21, 2014, amended minutes. Randy Brailsford **seconded** and the motion **passed** with all in favor.

Danny Throckmorton **moved** to **approve** the May 19, 2014 minutes. Rick Moore **seconded** and the motion **passed** with all in favor.

STATUS UPDATE FILING INTERLOCAL AGREEMENT WITH LIEUTENANT GOVERNOR

Junior Baker said that he had received the signed interlocal agreement for creation of the Agency from all parties, but that Utah Code requires a letter from the State Retirement Office. He is working on getting approval from the retirement office. The Retirement Office application form requires a federal tax identification number. The Agency will need to apply for the identification number and an exemption certificate. No further action was needed by the board regarding the interlocal agreement.

DISCUSSION OF ADMINISTRATIVE CODE (BYLAWS) UCA 11-13-2204

Junior Baker proposed that instead of an administrative code we refer to them as bylaws thus following the Utah State Code §11-13-204. He said that he had handed out a copy of the bylaws, to everyone, at the last meeting and that he did not receive any comments back from them. He explained that the bylaws do not get into any of the items that are covered by the interlocal agreement.

Randy Brailsford expressed that the board should set a deadline date for the board members to get their comments back to Junior Baker. Randy Brailsford **moved** to **recommend** that the board get comments to Junior Baker by July 30th. Rick Moore **seconded** and the motion **passed** all in favor. Randy Brailsford made a **motion** to **change** the Administrative Code to Bylaws. Rick Moore **seconded** and the motion, which **passed** with all in favor.

CONTRACT STATUS WITH STRAWBERRY HIGH LINE CANAL COMPANY

Danny Throckmorton explained that they are proceeding with caution and apologized for taking so long on a proposed contract between the Agency and High Line Canal Company. He said that their attorneys have been very busy and he has yet to see a draft agreement. Randy Brailsford expressed his concern with how long the Highline Canal Company is taking. Danny Throckmorton **moved** to **carry** this item to the next meeting. Rick Moore **seconded** and the motion **passed** with all in favor.

STATUS UPDATE ABOUT AGENCY SEAL AND LOGO

Gene Shawcroft said that he and his staff had the assignment to propose a seal and logo. He handed out a copy of what they had come up with and proposed that by the next meeting everyone come prepared with their top three choices. This will be both the seal and the logo. Discussion was held regarding the seal and logo choices. Rick Moore **moved** to **approve** that the board be prepared with their top three choices by the next meeting. Gene Shawcroft **seconded** and the motion **passed** with all in favor. Commissioner Ellertson expressed that he felt that if Mount Nebo is represented on the logo that it should be represented as it looks in real life with the three peaks.

Chris Hansen of CUWCD agreed to poll the board and alternates to determine logo preferences for the next meeting.

STATUS UPDATE ABOUT MEETING CONGRESSIONAL DELEGATION

Junior Baker explained that in the last board meeting two options were discussed. One option was to send a few of the board members to Washington; the other option was find out when the delegation would be in Utah and meet with them in Utah. Marcus Faust expressed that he did not feel the Agency representatives were ready to go back to Washington in July. He said that he did feel the Agency representatives would need to meet with the Department of Interior and have representatives go to Washington for that meeting.

He can organize a meeting when the delegation is in Utah but it would be best to meet individually and not all together, thus requiring multiple meetings.

Randy Brailsford asked if it would be best to have the High Line Canal Company abstain from involvement in the suggested meetings until High Line has a contract in place with the Agency. It was determined by the Agency that High Line representatives could participate prior to having a signed contract.

Discussion was held regarding potential dates during the Congressional recess. Mr. Faust explained that they all extend the recess until after Labor Day. The House begins its recess on July 31st at 3 p.m. and the Senate on the following week. The recess lasts the entire month until the week of September 8th; the first full week after Labor Day. The delegation will be in Utah in August. Senator Hatch and Senator Lee will already have their schedules taken care of and we need to see when they have days set aside to come to Utah County and if meeting with Agency representatives can be added to the schedule. Discussion was held regarding the best dates. If it needs to be an evening meeting the board is open to that.

STAFFING

Junior Baker explained that Shelley Hendrickson, who is here today, has been asked to be the clerk. She works for Spanish Fork City. He explained the advantages of using an entity employee and that her time would be billed through Spanish Fork City, who is a member entity. Randy Brailsford **moved** to accept **hiring** Shelley Hendrickson as clerical staff and to pay her through Spanish Fork City on a quarterly basis. Commissioner Ellertson **seconded** and the motion **passed** with all in favor. Junior Baker expressed that he felt that staff is adequate, for now.

ADOPTION OF MISSION STATEMENT

Junior Baker explained that the High Line prepared this document and that he felt that it was really good. Danny Throckmorton expressed that he felt it was a little long and read what he had put together. Gene Shawcroft asked if the board wanted to review the mission statement with the bylaws and do them at the same time. Rick Moore expressed that he felt a mission statement is usually a one liner or short statement. Rick Moore **moved** to **review** the mission statement along with the bylaws in the next meeting and to have Danny Throckmorton go through the mission statement and come up with something that is shorter. Commissioner Ellertson **seconded** and the motion **passed** with all in favor.

DESIGNATION OF AGENCY BANK

Junior Baker said that he was not given clear direction from the last meeting with regard to designating an agency bank. Rick Moore **moved** to **choose** Zion's Bank to be the agency bank. Commissioner Ellertson **seconded** and the motion **passed** with all in favor. Junior Baker explained that two signatures would be needed on the account. Discussion was held regarding a time when the entities need to send in their money. It was determined that the bank account would not be opened until after the 1st of July, and that all

of the Board members would be signers on the account. Rick Moore **moved to approve** that all board members be signers on the bank account. Randy Brailsford **seconded** and the motion **passed** with all in favor.

COUNSEL CONTRACT

Randy Brailsford explained that Marcus Faust would still work for the \$6,000 per month. Marcus Faust said that he would give the identical contract he has with the cities but change the name of the entity and that the discussion that Gene Shawcroft wanted to have was how the money would be allocated. Randy Brailsford asked Marcus Faust if he would be willing to wait to bill the agency until after the 1st of July. Marcus Faust concurred. Gene Shawcroft expressed that he felt that until a more detailed discussion is held that the current expenditures would need to be distributed to the separate entities equally. Discussion was held regarding administrative expenses versus project specific expenses. Gene Shawcroft asked Marcus Faust if his contract anticipated project work. Marcus Faust said yes and explained that there will be issues related to piping the High Line Canal but that there will also be other issues that will arise from time to time but generally his services will be applicable to the agency itself and all of the members. Danny Throckmorton asked when the three cities brought Marcus Faust on, what was it for? Randy Brailsford said that it was to set this Agency up. Gene Shawcroft explained that he could talk to Warren Peterson about allocation and that the board could delay or approve the contract with legal counsel and the first payment would come out after July 1st. Discussion was held regarding Marcus Faust's legal services. Randy Brailsford explained that at the beginning of forming this body it was determined that if an entity did not want to participate in a project then they did not have to pay for the costs associated with the project and that the board should have a closed session on the agenda of the next meeting to discuss personnel issues. The example of the piping of the High Line Canal and Spanish Fork City receiving no benefit from it; as an example of when a member should not have to pay.

Discussion was held regarding the Agency's next meeting date. The Board concurred that August 18, 2014, would be the next meeting date, starting earlier at 7:30 a.m. and meeting on the third Monday of every month. Randy Brailsford **moved to wait** to next meeting to discuss the Counsel contract and hold a closed session for that purpose. Richard Davis **seconded** and the motion **passed** with all in favor.

BUDGET DISCUSSION

Junior Baker handed out a tentative budget. He explained that the clerk was budgeted for \$1500 dollars over the course of the year. This calculates to four hours a month and asked if the board felt it was adequate. He also said that a laptop with necessary software is needed and that he could order one. He further discussed the following: Washington counsel, letterhead, postage, checks etc. Discussion was held regarding the budget items. Gene Shawcroft recommended moving the clerk wages to \$2000. Junior Baker further explained that some money would be needed to open an account so the board would need to adopt a tentative budget. Rick Moore **moved to approve** what was discussed as the tentative budget and

hold a public hearing for the final budget in September adding the change of the clerk wages to \$2000. Larry Ellertson **seconded** and the motion **passed** unanimously.

TECHNICAL COMMITTEE REPORT

Gene Shawcroft said that the technical committee has been assigned to attend the enclosure meetings and that they were instructed to attend the High Line Canal meeting.

DATE AND LOCATION OF NEXT MEETING

It was determined that the next meeting would be held on August 18, 2014, at 7:30 a.m. at the Salem City Office.

OTHER BUSINESS

Discussion was held regarding the agenda for the next meeting with regard to public comment. It was determined that public comment will be the second item on the agenda with no more than 3 minutes per person.

Rick Moore **moved** to **adjourn**. Randy Brailsford **seconded** and the motion **passed** at 9:44 a.m.