

Ash Creek SSD

Board Meeting

December 13, 2022

Present: Kelly Wilson, David Hirschi, Nanette Billings, Justin Sip, David Hirschi

Staff: Fay Reber, Darrel Humphries, Michael Chandler, Matt Goodrich, Logan Murphy, Kim Spendlove, Gary Wilcox, Kavyn Cox

Audience: Dixie Hirschi, Yvonne Spendlove, Jodi Wilcox, Kristy Murphy

Prayer and Pledge: Justin Sip

Public Comments: None

The minutes from the October 27, 2022 meeting were discussed.

The meeting was opened to the public for comments on the amended 2022 and proposed 2023 budgets.

There were no public comments.

The hearing was closed and returned to the regular meeting.

Motion by Nanette Billings to approve the October 27, 2022 minutes. Second by Justin Sip. Motion carried by unanimous vote.

Darrel discussed the amended budget. A few changes were made.

Mike talked about the hay report. The farm sold larger bales this year and goat prices continue to climb.

David Hirschi asked about how, according to the budget, the district is spending more than they are bringing in. Darrel explained that there will be some years that the district spends more money and other years they are putting more away. The budget also doesn't account for any funds in savings or in a bond, which is where some of that spending comes from.

Nanette asked about what the district is anticipating as far as maintenance on the Ash Creek office building. Darrel increased the building maintenance expenditure in the proposed budget as the district needs a new water heater and a couple of other modest improvements.

Mike discussed depreciation and the likelihood of three new pump stations coming online by this time next year.

Darrel discussed the 8.7% salary increase that was proposed in the last meeting as well as adding two new employees in 2023.

Darrel talked about the Harrisburg Pressure Line Relocation on the capital budget. It was originally budgeted at \$3,200,000.00 but Mike believes they'll be able to do the project at half the cost if they are able to reuse the existing line.

Nanette asked about fleet. There is a \$60,000 retirement of assets listed in revenues which Darrel explained is for the selling of old vehicles. Matt mentioned that the district has 6 vehicles ordered. The district has plans to sell a few older vehicles.

Motion by Justin Sip to approve Amended 2022 Budget. Second by Richard Hirschi. Carried by unanimous vote.

Nanette expressed her concern about going with the high end of the social security cost of living increase. Justin also mentioned that there are some years district employees don't receive any increase.

Motion by Justin Sip for the adoption of the 2023 Budget. Second by David Hirschi. Carried by unanimous vote.

Fay discussed the annexation of Apple Valley. The annexation is complete. They need to enter into a billing and collection agreement like the other cities and adopt the districts rules of operation. Any changes made to the district's rules of operation will be adopted by the other cities when they are complete.

Darrell asked about adding Kavyn Cox as a check signer.

Motion by David Hirschi to approve Kavyn Cox as a check signer. Second by Richard Hirschi. Carried by unanimous vote.

Mike discussed the Confluence Park Project. On December 1, 2022, the district, engineers, and contractors for the project sat down to look at ways to modify the materials and design. Some changes were made which will reduce district costs on the project. The district came away from that meeting with roughly \$7-8 million off the original projected \$43 million cost. The district and other teams will go through the same process at the 60% design level and one last time at the 90% design level. The contractor will then come in and give the district a guaranteed maximum price for the project. Kelly asked how far out the district is from the 90% design level. Mike anticipates mid-summer.

Mike had a meeting with Leeds about possible annexation. Mike believes that annexation will happen at some point.

Motion to adjourn at 6:06pm.