

Perry /Willard Wastewater Board Meeting
Tuesday ,January 27, 2010
Willard City Offices
4:00 PM

Board Members Present: Steven Pettingill, Perry City; Jay Aguilar, Willard City; Paul Nelson, Perry City; Scott Archibald, Sunrise Engineering; Bruce Howard, Perry City

Others Present: Susan Obray, Perry City; Mayor Ryan Tingey, Willard City; Jerry Nelson, Perry City Mayor; Shanna Johnson, Perry City Finance; Duncan Murray, Perry City Attorney

Meeting was called to order and members welcomed by Chairman Steven Pettingill. He excused Rod Mund from the meeting.

Agenda Item 4, Shanna Johnson was moved to Agenda Item 1.

Shanna put together a presentation on Perry/Willard Wastewater Treatment Plant Administrative Planning Packet. She came to the meeting to answer questions the board may have.

Shanna went over the Interlocal Agreement . She sent out the Perry City personnel policy to all board members to review. Ownership of Facility & Site: Perry City 66%, Willard City 34%. Both cities have equal right to use the facility. The Sewer Board is made up of 5 Members; they will govern the operation, maintenance and improvement of the Facility. The board is responsibility is to hire qualified personnel, maintain and improve facility, adopt Protocols and Procedures for operation, rules and regulations for Facility employees, and establish Policy for the Facility. The Facility Manager will report to the Sewer Board, Facility Manager and employees, shall be an employee of Perry City. Shanna stated when the Willard employee is working at the plant they will keep their hours and be paid by Perry City. Mayor Tingey stated it would create a problem for them because the person they hire will be a full time employee for the city ,his wage may be different. Would Perry and Willard part time person get paid the same? Shanna stated to figure out how much you want to pay that employee out of the Wastewater Treatment Plant Budget and if it is different you can offset it out of the Willard City Budget. Perry City will have a Perry City full time employee do part time out at the facility. Willard part time employee will be reimbursed from Perry City for hours worked at the facility, both part time employees from each city will get a flat rate and the benefits will be paid by both cities for their employee. The director of the facility will make the schedule for the part time employees. The Sewer Facility Board and Facility Manager are responsible for the management of the Facility. The Sewer Facility Board and Facility Manager are responsible for the operation and maintenance and will employ competent and experienced personnel, or train such personnel. Both cities will comply with State, Federal or Local law and regulations. The cities agree to obtain and maintain Workers Comp and Liability insurance on the Facility. The cost will be considered an operation and maintenance expense. The Sewer Board will collect 66% from Perry and 34% from Willard to be applied to the annual budget. The Sewer Board and Facility Manager will maintain accurate and detailed records. On April 1st each year the Sewer Facility Board will present an Annual Budget to each City and Sewer Board will make changes in the event they are unable to agree on the Annual Budget, it will be submitted to a panel of 3 experts; one from each city, and a third expert to be mutually agreed upon by the cities. Operational and Maintenance will be split 66% Perry, and 34% Willard. The Facility will provide a bill to each City on a monthly basis for its share of all operation and maintenance expenses. If a City fails to provide payment within 10 days of the due date an interest fee of 1% will be charged until paid in full. Excess monies are to be held in an

expansion fund for each City, impact fees will also be held here. Shanna explained the Hierarchy chart; she also explained the finance process for expenses. The budget will be created by the Board, approved by Board and Cities, all bills received by Perry, the weekly bills will be coded by Perry Finance, the lead operator will review and initial the bills, Perry City will cut checks, Board Members signs checks weekly. Payment approved by Board monthly. Approved expenses billed to cities monthly, Payments from cities received to Budget within 10 days. Purchase orders are required before purchase of \$100.00 or more. They are to be signed by a board member. Payment less than \$2,000 will be sent after board member signs check. Payments more than \$2,000 will be held until monthly payment report (warrants) are approved by Perry and Willard. The Payroll will be set by the board, pay rate will be approved by the cities, the employee will complete time card for hours worked weekly, bi-weekly time cards are submitted to Board Member for approval, approved time cards submitted to Perry Payroll the first Tuesday after end of pay period, Payroll Check produced and delivered by direct deposit. Benefits paid accordingly. Planned time off must be approved by the majority of board members. Overtime must be approved by the majority board members. Compensatory Time will be given for hours exceeding an employees set work schedule. Willard Mayor Tingey recommended the lead operator be made salary. Perry City pays on call if employee is not set as exempt. 4 hours of regular pay per 7-day period of on call duty. If called to duty they are paid for hours worked. Overtime pay does not apply to on call wages. Medical benefits are paid at 100% for full time only, Dental paid at 50% for full time only, Life insurance city pays for \$50,000 ADD for full time only, vision is available, pension 11.67% if salary for full time only. 401k if employee contributes 4% and Perry matches 2% for full time employees only. SS, FICA, Workers Comp is a benefit all employees receive. Paid leave will be paid as follows: 52 hours(6.5) days year 1, 104 hours (13 days) year 2-10, 156 hours (19.5 days) year 15-20, 208 hours (26 days) years 20+. There are 12 paid holidays per year. Sick leave is 52 hours (6.5 days per year). Vacation must be approved. Perry City will train two people to be able to work at the plant part-time. The lead operator needs to take ownership of the plant. Per Utah Local Government Trust 100% of Workers Comp Insurance must be paid from where payroll is generated by Perry City. Willard to reimburse 34%. Per Utah Local Government Trust, 100% of liability insurance must be paid by majority owner, Perry City. An agreement must be signed requiring Willard City to reimburse 34% of insurance costs and indicating Willard is responsible for 34% of any loss at the plant and increase resulting from that loss. Workers Comp Insurance estimated at \$1,812.00 for 1 full time and 2 part time employees. Liability insurance cost for plant valued at \$17.5M are estimated at \$24,683.00 (annual cost). These are estimates only. We need to find out what this insurance covers as far as flood, earthquake, fire etc. The lenders are going to make us insure it to a certain amount. There are some budget concerns: Full time lead operator at \$20/hr \$41,600.00, benefits for 1 full time employee \$24,000.00, part time back up operator X 2 at \$15/hr: \$31,200.00. Administrative fees of \$7,800.00. Total personnel budget need: \$104,600.00 (current budget is \$24,000.00 less than need). Liability insurance not included. There is also future increases (pay, insurance). The possible solutions are to reduce vehicle expenses, use Perry or Willard vehicles currently underutilized. The salary could start low at \$12.00 an hour and as they get certified raise their pay to \$15.00 an hour for part time operators, start at \$18.00 and move to \$20.00 for the lead operator. County landfill for the disposal of the sludge. Research dumping in Perry lagoons to reduce dumping costs. Start employees at lower wage until certifications obtained. Cities absorb liability insurance cost in their regular operation budgets. Re-analyze rates and increase if needed. The personnel policy will need to be changed to the lead operator at salary.

The applicants have turned in an application and some a resume. They need to turn in an application with their resume because there are some things they need to sign on the application. Shanna put these on a spread sheet according to experience, certification, and knowledge. The board will go through them and see who they would like to interview. A contingent offer is given. If they accept the

offer there will be a background check, drug screening. They will show the background is good, if the drug screening is good they are good to go.

MOTION: Board member Bruce Howard motioned to approve the minutes as amended. Motion seconded by Board member Paul Nelson. All in favor.

Steve Pettingill	yes	Bruce Howard	yes
Paul Nelson	yes	Jay Aguil'ar	yes

February 17th is the next Board Meeting at the Willard City Offices. The Board will meet February 15th at 4:00pm at the Perry City Offices to review the operator applications. Board Member Nelson suggested there be 3 board members to ask the questions, but all board members will be in the interviews to listen. The same questions will be asked to all applicants.

Meeting Ajourned