



BOARD OF TRUSTEES SPECIAL MEETING

Meeting Minutes

Date: August 27, 2015

Lehi City

153 North 100 East

Lehi, Utah

Board of Trustees Members in Attendance:

Jason Bond, Alpine City
Howard Anderson, Town of Cedar Fort
Mike Geddes, City of Cedar Hills
Scott Spencer, Payson City
Terry Ficklin, Salem City, via phone
Mark Christensen, City of Saratoga Springs
David Oyler, Spanish Fork City, Chairman
Don Nay, Utah County, Alternate
Wendy Pray, City of Woodland Hills, Vice Chair
Jacob McHargue, Town of Vineyard

Absent Board of Trustees Members:

Richard Nelson, Alpine City
Craig Whitehead, American Fork City
Josh Cummings, Town of Goshen
Ikani Taumoepeau, Eagle Mountain City
Dale Bigler, Elk Ridge City
Brad Gurney, Town of Fairfield
Lonny Ward, Town of Genola
No Representative, Highland City
Jason Walker, Lehi City
Benjamin Reeves, Santaquin City
Larry Ellertson, Utah County Commissioner
Greg Graves, Utah County Commissioner
James O. Tracy, Utah County Sheriff

Others in Attendance:

Brad Knowlton, Ascent Construction
Robert Squires, Ascent Construction
Nathan Crane, Highland City
Jim Child, JRCA Architects
Scott Holmes, JRCA Architects
Deborah Mecham, UVDSSD Executive Director
Shantell Staiger, UVDSSD Administrative Specialist
Junior Baker, UVDSSD, Legal Counsel

1. Call to Order: *David Oyler, Chairman*

David Oyler asked for everyone to introduce themselves and the entity they represent. He indicated there was not a quorum present therefore business items would be discussed.

2. Business and Action Items:

- 2.1 Construction bid negotiations and building project budget – *David Oyler, Chairman*
- 2.2 Contractor award- *David Oyler, Chairman*

David summarized the building project is a million dollars over budget. He indicated several areas have been adjusted to eliminate the costs. David reiterated that the added costs will come from fund balance and not in additional costs to the cities.

Deborah Mecham stated she has had meetings with the architects, general contractors, sub-contractors, Don Nay from the building committee, and the District's IT Systems Administrator to consider areas in which to cut costs. She indicated an estimated eighty items were considered with a cost savings of \$507,450. Jim Child discussed a spreadsheet showing the eighty areas that were re-priced or re-bid. Mr. Child summarized the architectural, mechanical and electrical areas where costs were reduced or eliminated. It was explained there is potential for more electrical savings, pending the pricing from the contractors. Jim Child stated he was told to cut costs to a minimum of \$500,000 and with that, Ascent Construction has cut their costs by an estimated \$35,000. He explained that the items were prioritized and that the functional, structural or mechanical integrity of the building would not be compromised. David Oyler asked Don Nay, due to his expertise, for his comfort level with the adjustments made to the building. Don stated he was comfortable and the decisions were well thought through. He explained the original design has been maintained. The discussion ensued as the board detailed items that were presented in the report. Concern was expressed that the building project was over budget and if there were additional areas for possible cost savings. Robert Squires and Jim Child advised all areas have been analyzed to maintain a quality structure. David Oyler stated the possible additional cost savings of \$100,000 would not be worth compromising the integrity of the building.

David Oyler inquired if the board was comfortable taking monies out of the District's reserves to fund the additional costs. The board discussed the probability of the costs being higher in the future for the new facility. Deborah Mecham stated she spoke with Dave Sanderson, Lehi City's Finance Director that assists with the District's accounting and finances, who stated he feels comfortable taking the additional costs out of the reserves. She explained the monies in fund balance were saved for a new building and for capital replacements, which will be replaced in the new building and won't need to be replaced for another five plus years. Mark Christensen advised he is not comfortable dipping into reserves before the project even begins. Mike Geddes indicated the costs of materials are increasing and gave his recommendation to move forward with the project as soon as possible.

David Oyler summarized the board could decide to approve the presented savings and authorize the additional costs to be paid out of reserves but the adjustments would need to be made to the budget. He indicated the budget revisions would need to be properly addressed. Deborah Mecham explained the budget revisions will be in the next fiscal year. It was recommended the monies being contributed to the fund balance need to be looked at for the next fiscal year.

With a quorum now present, the discussion ensued of what the consensus is for the facility.

Mike Geddes motioned to accept the savings up to now, but we work forward in the next two weeks to get a contract at a minimum of \$507,450 savings from the original proposal.

Second by Wendy Pray

David Oyler confirmed with Junior Baker that there were no legal issues with the motion. He clarified the motion to be to take the original bid, authorize the minimum of \$507,000 be deducted from the bid, and the committee to continue to find any other possible deductions in the next two weeks but that the minimum saving would be \$507,000 and the contract would be written as such. David confirmed the motion authorizing the chairman of the board to sign the contract. Mike Geddes stated he agreed with the clarification.

David Oyler asked before they vote on the motion, to get clarification of what the architectural fees will be. He stated it is his understanding that the architectural fees will not increase of the percentage amount but would be held to the original budget amount for the project. Jim Child stated with the increase to the budget, JRCA is not looking to increase the architectural fees. David confirmed that their fee has already been set.

Mr. Oyler asked if there were any other comments or questions with the motion. None made.

**Nine of the ten members approved with Mark Christensen voting against
Motioned carried.**

David Oyler expressed appreciation for the extra time both companies, Don Nay, Micah Clark and Deborah Mecham have spent going through the construction bid.

2.3 Process for work order changes- *Deborah Mecham, Executive Director*

Deborah indicated there is not a process in place for work orders or change requests that need to be reviewed and approved. She advised the project should not be put on hold until a board meeting. Deborah stated the District has a purchasing policy. It was recommended to have a policy written to state that the building committee would review and approve work order or change requests, with a financial limit maximum included in the policy, and that a major decision with the facility would need to have the board's approval.

2.4 Cancellation of September 10, 2015 board meeting-

David Oyler indicated that the September meeting was cancelled and the next regular meeting will be October 8, 2015. He reiterated that he will be signing the construction contract. Howard Anderson recommended a motion be made approving Ascent Construction to proceed with the project once the insurance and bonds are in place. The board and Junior Baker agreed with the recommendation.

**David Oyler accepted a motion to authorize the chairman of the board to sign a 'Notice to Proceed' after the contract has been signed with the insurance and bonds in place.
Motion to approve by Mike Geddes
Second by Jason Bond
Unanimous vote, motion carried.**

3. Other Business:

3.1 Open forum and next meeting agenda items-

No comments were made.

4. Consent Calendar: *David Oyler, Chairman*

4.1 Approval of Meeting Minutes for August 13, 2015-

Motion to approve the consent calendar by Wendy Pray

Second by Scott Spencer

Unanimous vote, motion carried.

5. Adjournment:

Motion to adjourn the meeting by Jason Bond

Second by Mike Geddes

Unanimous vote, motion carried.