

**Special Board Meeting Minutes
October 3, 2011**

**MINUTES OF THE SPECIAL MEETING
OF THE BOARD OF TRUSTEES OF
MAGNA WATER DISTRICT**

A special executive meeting of the Board of Trustees of the Magna Water District was held Monday, October 3, 2011, at 3:00 p.m. at the District's offices at 2711 South 8600 West, Magna, Utah.

Trustees Present:

Hank Johnson, Chairman
Doug Bezzant
Mick Sudbury

Staff Present:

Brent Williams, General Manager
LeIsle Lane, District Controller

Also Present:

Marty Cowin, Local 222
Rusty Hart, Local 222
Clint Giles, Union Steward
Shawn Wall, Union Steward

Call to Order:

Hank Johnson called the special board meeting to order at 3:15 p.m. and welcomed the public.

Marty introduced the union's proposal for Articles VII, Classification and Wages, XX, Health and Welfare, and XXIV, Pension. The Union proposes \$0.50 increase per hour in wages, continue with the 97% - 3% split for health and welfare and \$0.25 increase per hour towards pension.

Marty indicated that the employee's intention was not to really make things too complicated or shoot for the moon, trying to be reasonable with their requests.

Doug asked a question to the Union Stewards if they understood what a flat dollar amount increase would do to the spread between the newer guys versus the one with longevity as far as the spread between the base pays. The Stewards indicated that there was not a concern with that.

Mick Sudbury questioned the longevity percentage on how it works. Union and management explained the longevity percentage.

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Meet in closed session immediately to discuss union negotiations: Motion was made to meet immediately in closed session by Doug Bezzant and seconded by Mick Sudbury. Motion was approved as follows: Doug Bezzant, yea, Hank Johnson, yea and Mick Sudbury, yea, at 3:25p.m.

Chairman entertained a motion to close the closed session and reopen the public meeting at 4:12 p.m. Motion was made by Mick Sudbury, seconded by Doug Bezzant. Motion was approved as follows: Hank Johnson, yea, Doug Bezzant, yea and Mick Sudbury, yea.

The Board presented to the Union the board's counter proposal. \$0.50 increase per hour in wages, change the split for health and welfare to 95% - 5%, and \$0.25 increase per hour to pension.

Union dismissed themselves for discussion.

Union thanked the Board for the counter. Union only had one challenge with the counter and that was with the Health and Welfare part of the counter. Reason being is due to the Health Care Reform Act. The Utah-Idaho Trust has elected to "grandfather" all of their existing plans. If there is any change in the participant's percent or amount paid by the participants, the plan would lose their grandfathering. The grandfathering will eliminate costs to the plan until 2014 when the grandfathering is off.

The union broke the cost down to an hourly rate of what the 5% would be to them. The Union presented the board another proposal, \$0.40 increase per hour in wages, keep the health and welfare at 97% - 3% split, to keep the grandfathering, and \$0.20 per hour increase in pension.

Discussion was held on the grandfather ship. Doug expressed his concern with the Insurance having the ability to raise their premium any time they want. Union explained that the premium increases, but the cost share would remain the same. The amounts may go up for Company and employee, but the percent does not change. In 2014 the grandfather ship will be over and whatever is negotiated is negotiated.

Meet in closed session immediately to discuss union negotiations: Motion was made to meet immediately in closed session by Doug Bezzant and seconded by Mick Sudbury. Motion was approved as follows: Doug Bezzant, yea, Hank Johnson, yea and Mick Sudbury, yea, at 4:47 p.m.


Chairman entertained a motion to close the closed session and reopen the public meeting at 5:12 p.m. Motion was made by Mick Sudbury, seconded by Doug Bezzant. Motion was approved as follows: Hank Johnson, yea, Doug Bezzant, yea and Mick Sudbury, yea.

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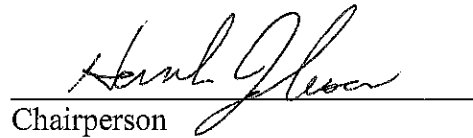
Hank indicated that the Board wanted to continue the meeting at a later date in order to gather additional information. Union and Board arranged to meet again at the Regular Board Meeting that will be held October 13, 2011 at 3:00 pm.

Other Business: None

Continuation of meeting: Motion was made by Doug Bezzant, and seconded by Mick Sudbury to continue the meeting to October 13, 2011 at 3:00 pm. Motion was approved as follows: Doug Bezzant, yea, Hank Johnson, yea, and Mick Sudbury, yea.



Attest


Chairperson