

SOUTH DAVIS SEWER DISTRICT
BOARD OF TRUSTEES
REGULAR MEETING
15 August 2024

The Board of Trustees of the South Davis Sewer District, Davis and Salt Lake Counties, met in regular session at 5:00 p.m. at the District Office located at 1800 West 1200 North, West Bountiful, Utah, with the following members present:

Howard Burningham	Chair
Mark Preece	Vice-Chair
Len Arave	Trustee
Gina Hirst	Trustee (arr. 5:05 pm)
Brian Horrocks	Trustee
Kendalyn Harris	Trustee
Ryan Westergard	Trustee

Others meeting with the Board:

Matt Myers	General Manager/Treasurer
Lanese Hendrickson	Asst General Manager
Susanne Monsen	Administrative Asst/Asst Clerk
Mark Anderson	Attorney, Fabian Vancott
Beverly Westle	Principal, EIP Ventures
Jonathan Maurer	Co-CEO, Opal
Benoit Ansart	CTO, Fortistar
Vivek Agastya	Senior VP, Fortistar
Roberto Potenza	Manager, Opal

1. OPEN MEETING:

The Chair called the meeting to order at 5:02 p.m.

2. APPROVAL TO CLOSE THE MEETING TO DISCUSS THE SALE OF REAL PROPERTY:

Motion was made by Brian Horrocks seconded by Len Arave to go into closed session. Motion carried unanimously via a roll call vote with Trustees Burningham, Arave, Preece, Horrocks, Harris and Westergard voting "aye".

The Chair declared the meeting closed at 5:04 p.m.

Motion was made by Ryan Westergard seconded by Gina Hirst to return to the open session of the meeting. Motion carried unanimously with Trustees Burningham, Arave, Hirst, Preece, Horrocks, Harris and Westergard voting "aye".

The Chair declared the meeting opened at 5:41 p.m.

Closed session attendees included Howard Burningham, Mark Preece, Len Arave, Gina Hirst, Brian Horrocks, Kendalyn Harris, Ryan Westergard, Matt Myers, Lanese Hendrickson, Susanne Monsen, Mark Anderson, Beverly Westle, Jonathan Maurer, Benoit Ansart, Vivek Agastya and Roberto Potenza.

3. APPROVAL OF MINUTES:

The Chair asked for comments of the Regular Board Meeting held 18 July 2024. After consideration motion was made by Len Arave seconded by Gina Hirst to accept the Minutes as presented. Motion carried unanimously with Trustees Burningham, Arave, Hirst, Preece, Horrocks, Harris and Westergard voting "aye".

4. BUDGET REPORT:

A. SOUTH DAVIS SEWER DISTRICT.

The Budget Report ending July/2024 was presented for review. The combined Revenue Budget has received 78% in revenues. The Collection System is 50% expended; Treatment Plants are 53% expended; Industrial Pretreatment is 62% expended; Capital Expansion is 8% expended; Water Quality Group (JR/FB) is 57% expended; OU2 Remediation is 57% expended; Water Quality Group (UT LK) is 58% expended; and General & Admin is 39% expended. The budget ratio to calendar months is 58%.

B. WASATCH RESOURCE RECOVERY.

The Budget Report ending July/2024 was presented for review. The Revenue Budget has received 31% in Revenues and is 45% expended. The budget ratio to calendar months is 58%.

5. INVESTMENT REPORT:

Current investments (July/2024) are maintained by Zions Bank, Public Treasurers Investment Fund (PTIF) and Moreton Asset Management. Zions Trust held approximately \$4.9 million at an interest rate of 5.4310% (funds are with PTIF); PTIF held approximately \$7.2 million at an interest rate of 5.4310%; and Moreton held approximately \$1.9 million at an interest rate of 4.1914%.

6. APPROVAL OF DISBURSEMENTS:

Trustees reviewed Zions Bank check numbers 35043, 35328-35358, 35394 and 35413. After further consideration motion was made by Mark Preece seconded by Len Arave to accept the Disbursements as presented. Motion carried unanimously with Trustees Burningham, Arave, Hirst, Preece, Horrocks, Harris voting and Westergard "aye".

7. APPROVAL OF SEWER LINE DEEDS:

A. TOWNS AT 400 PUD - PROJECT NO. 5-23.

The Deed for Towns At 400 PUD, located in Bountiful, has been received. The total sewer costs for this development are \$48,037.00.

Motion was made by Brian Horrocks seconded by Ryan Westergard to accept the Deed for Towns At 400 PUD. Motion carried unanimously with Trustees Burningham, Arave, Hirst, Preece, Horrocks, Harris and Westergard voting "aye".

8. STANDARD & POOR'S BOND RATING - REPORT:

Another meeting was held with S&P to review the credit watch placed on the District. Matt Myers reported that the District's bond rating has not changed. The latest report released by S&P was published to the EMMA website for bondholders. S&P is satisfied for now, but the District will re-engage when bond issuance is imminent unless the District opts to go with a private placement bond.

9. PUBLIC COMMENTS:

A. ADU DISCUSSION - DEBBIE McKEAN.

Debbie McKean informed the Board that a meeting had been held with owners of ADUs in her area and there was a lot of concern over the charges the District assesses for properties with an ADU. She wondered if there was a different way to assess fees that would be more equitable. She noted, in many cases, that there are large families that would likely be discharging significantly more to the sanitary sewer than those with an ADU, but were being charged less.

Several options were discussed, including adding a fee to property taxes or billing based on water usage. The Board reported that the former likely wasn't an option and the latter had recently been studied and currently not deemed feasible.

The District's ADU exception form was provided to Ms. McKean prior to the meeting and she subsequently distributed it to others with ADUs. The District will look at placing the ADU exception form on its website for ease of access. Property owners seeking an ADU exception are required to fill out the exception form once. If use of the ADU changes, it is the responsibility of the property owner to report the changes to the District. The District recognizes that it is an imperfect system, but it is the cities and not the District who ultimately have authority when it comes to ADUs.

10. SCADA INTEGRATION SERVICES FOR NORTH PLANT - REPORT:

The District evaluated four respondents to a request for Statements of Qualifications for SCADA integration services. The selection committee selected APCO based on superior qualifications and local presence. Negotiations with APCO are ongoing, with SKM as a backup. The Board was advised that it may be necessary to schedule a special board meeting to authorize the final selection.

11. NORTH PLANT REHABILITATION AND NUTRIENT REMOVAL PROJECT - REPORT:

Staff reported on progress related to building permits and coordination with West Bountiful, City. The District has requested a waiver for curb and gutter installation and may be asked to install a four-foot-wide asphalt path on its property from the foot path under the Legacy Parkway at 1200 North to the parking area at the Bountiful Pond as an alternative to curb and gutter.

Critical path items have been identified, including electrical equipment like transformers and generators. The District and project engineer have been communicating with Rocky Mountain Power regarding electrical upgrades and transformer requirements.

Weekly coordination meetings are held every Thursday morning. Matt Myers reported that concerns over long lead times for critical equipment may result in the need to renegotiate the District's compliance schedule with the Division of Water Quality.

12. WASATCH RESOURCE RECOVERY (WRR) PROJECT - REPORT:

Staff reported that an Odor Management Plan is currently being developed in response to complaints from the residents of Foxboro and that a recent on-site meeting and walk-through was held with a handful of residents. There was some discussion about hiring a consultant to establish a reasonable odor threshold standard, but the decision was made to pursue mitigation measures and projects to address the sources of recent odor issues that have been identified first. There are certain improvements contemplated with Opal that could help as well.

The Board was advised of recent screw press failures and actions taken to address the issues, including rehabilitation of existing screws and purchase of new screws.

13. NEXT MEETING SCHEDULED:

The next regular meeting has been scheduled for Thursday, 19 September 2024, 5:00 p.m.

14. DISMISSAL:

The Chair declared the meeting adjourned at 7:21 p.m.



Clerk


Chair, Board of Trustees