

SOUTH DAVIS SEWER DISTRICT  
BOARD OF TRUSTEES  
REGULAR MEETING & PUBLIC HEARING  
16 February 2023

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
Kendalyn Harris	Trustee
Ryan Westergard	Trustee (arrived 5:45 pm)

Excused:

Brian Horrocks	Trustee
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Others meeting with the Board:

Matt Myers	General Manager/Treasurer
Mark Katter	Accounting Manager/Clerk
Lanese Hendrickson	Asst General Manager
Susanne Monsen	Administrative Asst/Asst Clerk
Jacob Scott	Engineer
Mark Anderson	Attorney/Fabian Vancott
Beverly Westle	EIT Ventures LLC
Lester Krone	EIT Ventures LLC
Matt Millis	CapEx Planning, LLC
Brad Rasmussen	Aqua Engineering
Edgar Terran	Aqua Engineering
Ron Mortensen	Resident, Bountiful

1. OPEN MEETING:

The meeting was called to order at 5:05 p.m.

2. WELCOME NEW TRUSTEE:

The Chair welcomed the Board's newly appointed Trustee, Len Arave.

3. APPROVAL OF MINUTES:

The Chair asked for comments of the regular Board Meeting held 19 January 2023. After consideration motion was made by Gina Hirst seconded by Mark Preece to accept the Minutes as presented. Motion carried with Trustees Burningham, Hirst, Preece and Harris voting "aye", Len Arave abstained from the vote as he was not present at the meeting.

4. BUDGET REPORT:

A. SOUTH DAVIS SEWER DISTRICT.

The Budget Report ending January/2023 was presented for review. The combined Revenue Budget has received 35% in revenues. The Collection System is 13% expended; Treatment Plants are 10% expended; Industrial Pretreatment is 7% expended; Capital Expansion is 1% expended; Water Quality Group (JR/FB) is 16% expended; OU2 Remediation is 3% expended; Water Quality Group (UT LK) is 5% expended; and General & Admin is 14% expended. The budget ratio to calendar months is 8%.

B. WASATCH RESOURCE RECOVERY.

The Budget Report ending January/2023 was presented for review. The Revenue Budget has received 2% in Revenues and is 5% expended. The budget ratio to calendar months is 8%.

5. INVESTMENT REPORT:

Current investments (January/2023) are maintained by Zions Bank, Public Treasurers Investment Fund (PTIF) and Moreton Asset Management. Zions Trust held approximately \$8.6 million at an interest rate of 4.2771% (funds are with PTIF); PTIF held approximately \$4.3 million at an interest rate of 4.2771%; and Moreton held approximately \$1.8 million at an interest rate of 3.4726%.

6. APPROVAL OF DISBURSEMENTS:

Trustees reviewed Zions Bank check numbers 33409, 33416, 33424, 33433 and 33459. After consideration and some review motion was made by Kendalyn Harris seconded by Gina Hirst to accept the Disbursements as presented. Motion carried unanimously with Trustees Burningham, Preece, Arave, Hirst and Harris voting "aye".

7. APPROVAL OF SEWER LINE DEEDS:

A. SUMMERHILL LANE SUBDIVISION - PROJECT NO. 2-21.

The Deed the Summerhill Lane Subdivision, located in Centerville, has been received. The total sewer costs for this development are \$411,394.00.

Motion was made by Len Arave seconded by Kendalyn Harris to accept the Deed for Summerhill Lane Subdivision. Motion carried unanimously with Trustees Burningham, Preece, Arave, Hirst and Harris voting "aye".

8. SELECTION OF COMMITTEE'S (ENGINEERING, PERSONNEL, WRR PROJECT MGMT:

A. ENGINEERING COMMITTEE.

The Chair recommended Gina Hirst serve as Chair on the Engineering Committee. Gina then asked for participants to this committee:

- 1) Chair - Gina Hirst
- 2) Member - Kendalyn Harris
- 3) Member - Brian Horrocks

The Chair recommended Ryan Westergard serve as Chair on the Personnel Committee. Ryan then asked for participants to this committee:

- 1) Chair - Ryan Westergard
- 2) Member - Mark Preece
- 3) Member - Len Arave

The Chair recommended Len Arave serve on the WRR Project Management Committee due to his history and experience with the WRR project. He will replace Gina Hirst who withdrew her appointment to this committee. Gina felt Len's experience would be better utilized in this position.

Motion was made by Gina Hirst seconded by Len Arave to appoint Trustees to the Committee's as discussed. Motion carried unanimously with Trustees Burningham, Preece, Arave, Hirst and Harris voting "aye".

9. CONSIDER OPTIONS ON SPECTRUM ACADEMY:

Lanese Hendrickson reviewed the history Spectrum Academy charter schools in North Salt Lake and Spectrum's claim of exemption from payment of impact fees for its last two schools - Spectrum Academy High School and, most recently, Spectrum Academy STARS. Historically, all schools except for Spectrum Academy have paid the full impact fee associated with their fixture unit count. According to the District's Resolution No. 136-Adopting Impact Fees, the District is required to uniformly apply and fairly impose impact fees across the District.

Mark Anderson reviewed State Statute related to payment of impact fees and explained that Utah Code prevents the delay of construction of a school or charter school because of a dispute over impact fees.

At the Board's recommendation, District staff will set up a meeting with the owners of Spectrum Academy to try to better understand the basis for the exemption Spectrum is claiming and then report back to the Board. This meeting will be with the owners of Spectrum Academy and District staff only.

10. SOUTH PLANT REHABILITATION AND NUTRIENT REMOVAL PROJECT - REPORT:

Bypass pumping began Tuesday for the purpose of installing new gates and screens. Jacob Scott reported that the parshall flume had been cleaned. Work to install the gates and screens is expected to take approximately one month.

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

The District is continuing to work with Aqua Engineering to design and engineer plant upgrades.

12. GENERAL MANAGER'S REPORT:

A. EQUIPMENT FABRICATION.

Matt Myers showed those present a bearing housing that had been rebuilt by District staff. The list cost for a replacement housing was \$2,286. The work done in-house required about \$200 in materials and 8 hours of labor for a total cost of about \$600, which represents a significant savings.

13. OPEN PUBLIC HEARING TO RECEIVE PUBLIC INPUT WITH RESPECT TO THE DISTRICT'S PROPOSED IMPACT FEE INCREASE (6:00 P.M.):

Motion was made by Gina Hirst seconded by Len Arave to open the public hearing. Motion carried unanimously with Trustees Burningham, Preece, Arave, Hirst, Harris and Westergard voting "aye".

A. PRESENTATION.

Matt Millis (CapEx Planning, LLC) presented an impact fee update in which he identified items reviewed in the impact fee analysis for 2023. He explained that increases in residential and non-residential demands require additional treatment and collection capacity. He went on to explain that flows are not growing at the same rate as population and that wastewater strength is increasing more quickly than flows, placing more constraints on treatment capacity. He addressed impact fee eligible costs and noted that those costs were reduced by the amount of ARPA grant funds the District expects to receive.

A notice of public hearing was issued on February 2, in accordance with noticing procedures. Mr. Millis indicated that the noticed impact fee was \$2,453.54 per EDU and explained that the Board could adopt a lower amount or table the discussion and adopt an updated impact fee at a later date. The new impact fee cannot be collected until 90 days after adoption of the resolution.

B. PUBLIC COMMENTS.

Ron Mortensen stated he was in favor of the proposed impact fee increase and felt the public shouldn't have to subsidize new development.

C. CLOSE PUBLIC HEARING.

There being no further comments motion was made by Len Arave seconded by Gina Hirst to close the public hearing. Motion carried unanimously with Trustees Burningham, Preece, Arave, Hirst, Harris and Westergard voting "aye".

14. CONSIDER RESOLUTION NO. 136-2023 - IMPACT FEE INCREASE:

Motion was made by Kendalyn Harris seconded by Mark Preece to approve the Impact Fee Increase in the amount of \$2,453 through Resolution No. 136-2023. Motion carried unanimously via a roll call vote with Trustees Burningham, Preece, Arave, Hirst, Harris and Westergard voting "aye".

15. CONSIDER ADMINISTRATIVE BUILDING PROJECT:

Matt Myers reviewed preliminary plans for the North Plant Upgrade project which includes a new digester which will be necessary to provide sufficient retention time and process increasing amounts of biosolids. The ideal location for the new digester will be in the footprint of the current office building and a section of the parts room on the north side of the office. This would put the new digester in line with the existing digesters and minimize piping, electrical, etc.

The proposed location for the new Administrative Building would be on the north side of 1200 North just through the gate on the Frontage Road. This would provide better access for customers and reduce risk by eliminating the need for the public to drive into the plant. We are extremely limited on meeting space as the District and staff has grown over the years. The original building was built in 1960 with several add-on's over the years. We are especially concerned with the location and lack of ventilation in our small computer server room as well as the out-of-date wiring throughout the office.

The District set aside \$2.5 million budget as part of the overall plant upgrade budget several years ago for this construction, but have delayed construction pending final requirements and plans for the North Plant Upgrade. Staff believes this budget is more than adequate and are hopeful the ultimate cost will be considerably less.

Matt Myers has researched local architects to design a utilitarian-type space and will request RFQ's (request for qualifications). Mark Anderson confirmed as long as the services were capped at \$100,000 (small purchase) under State Statute we could proceed without going through a bidding process. We contracted with James Glascock to design the Collection System Office and Shop and we were extremely pleased with the final product.

Motion was made by Ryan Westergard seconded by Mark Preece to proceed with the design for the new Administration Building and have a proposal/contract ready for the next Board Meeting for further consideration. Motion carried unanimously with Trustees Burningham, Preece, Arave, Hirst, Harris and Westergard voting "aye".

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

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

The Chair declared the meeting closed at 6:55 p.m.

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

The Chair declared the meeting opened at 7:57 p.m.

17. NEXT MEETING SCHEDULED:

The next meeting has been scheduled for Thursday, 16 March 2023, 5:00 p.m.

18. DISMISSAL:

The Chair declared the meeting adjourned at 8:01 p.m.



Clerk



Chair, Board of Trustees