

SOUTH DAVIS SEWER DISTRICT  
BOARD OF TRUSTEES  
REGULAR MEETING  
18 January 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 (via videoconference)
Gina Hirst	Trustee
Brian Horrocks	Trustee
Kendalyn Harris	Trustee
Ryan Westergard	Trustee

Others meeting with the Board:

Matt Myers	General Manager/Treasurer
Mark Katter	Accounting Manager/Clerk
Lanese Hendrickson	Assistant General Manager
Susanne Monsen	Administrative Asst/Asst Clerk
Deby Marshall	Resident, West Bountiful
Gary Davis	Resident, Bountiful

1. OPEN MEETING:

The Chair called the meeting to order at 5:00 p.m.

2. APPROVAL OF MINUTES:

The Chair asked for comments of the Regular Board Meeting held 7 December 2023. After consideration motion was made by Brian Horrocks seconded by Mark Preece to accept the Minutes as presented. Motion carried unanimously with Trustees Burningham, Arave, Hirst, Preece, Horrocks, Harris and Westergard voting "aye".

The Chair then asked for comments of the Public Hearings held 7 December 2023. After consideration motion was made by Brian Horrocks seconded by Mark Preece to accept the Minutes as presented. Motion carried with Trustees Burningham, Arave, Hirst, Preece, Horrocks, Harris and Westergard voting "aye".

3. BUDGET REPORT:

A. SOUTH DAVIS SEWER DISTRICT.

The unaudited final Budget Report ending December/2023 was presented for review. The combined Revenue Budget has received 98% in revenues. The Collection System is 97% expended; Treatment Plants are 94% expended; Industrial Pretreatment is 101% expended; Capital Expansion is 95% expended; Water Quality Group (JR/FB) is 95% expended; OU2 Remediation is 74% expended; Water Quality Group (UT LK) is 76% expended; and General & Admin is 94% expended. The budget ratio to calendar months is 100%.

B. WASATCH RESOURCE RECOVERY.

The unaudited final Budget Report ending December/2023 was presented for review. The Revenue Budget has received 100% in Revenues and is 87% expended. The budget ratio to calendar months is 100%.

4. INVESTMENT REPORT:

Current investments (December/2023) are maintained by Zions Bank, Public Treasurers Investment Fund (PTIF) and Moreton Asset Management. Zions Trust held approximately \$5.7 million at an interest rate of 5.4011% (funds are with PTIF); PTIF held approximately \$7.4 million at an interest rate of 5.4011%; and Moreton held approximately \$1.9 million at an interest rate of 4.5668%.

5. APPROVAL OF DISBURSEMENTS:

Trustees reviewed Zions Bank check numbers 34519, 34537, 34642, 34664, 34645 and 34667. After further consideration motion was made by Ryan Westergard seconded by Gina Hirst to accept the Disbursements as presented. Motion carried unanimously with Trustees Burningham, Arave, Hirst, Preece, Horrocks, Harris and Westergard voting "aye".

6. ANNUAL CONFLICT OF INTEREST FORM AND ANNUAL ETHICS FORM:

The Board reviewed the purpose of these forms and each Trustee updated their specific disclosures as applicable.

The Board felt all employees should review and sign both of these forms on an annual basis as well. Staff will incorporate this requirement annually beginning this year.

7. REVIEW LIABILITY WAIVER/HOLD HARMLESS AGREEMENT FOR PRIVATE USE OF PUBLIC PROPERTY:

The new Hold Harmless Agreement for Private Use of Public Property form was presented to the Board. This agreement was drafted by Mark Anderson, legal counsel for the District, and has been reviewed by staff. Key points include:

- Shop may be used on the employee's personal time.
- Moveable property cannot be taken off District premises (unless approved by the General Manager or designee).
- The employee holds the District harmless from any liability which may arise and assumes any/all risks and waives all rights to legal claims.
- The employee agrees not to waste or damage District property.
- The employee cannot use the shop area or tools to support an outside/personal business.
- No minor (under age 18) will be allowed to accompany the employee.
- Non-employee companions/guests will be required to sign a release and waiver of liability.
- The employee acknowledges this is a legally binding contract.

(See Resolution No. 111, as amended, for full details regarding use of District Property)

8. CONSIDER AND AWARD CURED-IN-PLACE-PIPE (CIPP) BID FOR 2024:

Staff presented the bid tabulation for the District's 2024 Miscellaneous Cured-In-Place Pipe Lining Projects bid (2024 CIPP bid). The apparent low bidder was Insituform Technologies. After describing the additional due diligence completed (including comparing consistency with specifications for all bids), staff recommended awarding the bid to Insituform.

Motion was made by Ryan Westergard seconded by Brian Horrocks to award the 2024 CIPP bid to Insituform Technologies in the amount of \$374,593.00 as presented. Motion carried unanimously with Trustees Burningham, Arave, Hirst, Preece, Horrocks, Harris and Westergard voting "aye".

9. CONSIDER MEMORANDUM OF AGREEMENT (MOU) WITH WOODS CROSS FOR REUSE:

The General Manager reported that, with additional information that had become available, there was no longer an MOU to consider. He discussed a recent meeting he participated in with Woods Cross City and the State Engineer regarding requirements for a reuse project, including a last-minute provision added before the law was passed that would require a water replacement plan. Woods Cross City is looking for an exception to this requirement, which may require going back to the State Legislature. The State Engineer confirmed that an agreement, not an MOU, would be required to move forward with a reuse project.

10. CONSIDER FINANCIAL SUPPORT OF REUSE STUDY:

The match requirements associated with the BRIC grant Woods Cross City is pursuing have changed. The District will monitor this grant/reuse study and may bring a request to consider financial support of the reuse study back in the future.

11. SCHOTT GLASS - DISCUSSION:

Staff informed the Board that a decision regarding disposition of the glass purchased for the Advanced Biological Nutrient Removal (ABNR) process will need to be made in the near future to facilitate construction of North Plant Upgrades.

In addition to reaching out to Clearas regarding the possible use of glass by another facility implementing ABNR, staff investigated several other options, including use of the glass by an institute of higher education for research, use in architectural applications, recycling and landfill disposal. Staff also reached out to the manufacturer, who indicated that the glass is unsellable.

Board members expressed the opinion that staff could determine what to do with the glass with recycling being the first priority under the District's disposition resolution if another use cannot be found.

Len Arave reminded the Board and staff of the significant investment this glass represents and suggested we need to make sure opportunities with Clearas have been exhausted before taking action on this item.

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

- Wick drains are currently being installed prior to pre-loading the MBBR area. They will help drain moisture so the underlying soil will settle properly.
- The District is in the process of prequalifying general contractors and electrical contractors for the North Plant Upgrade project. Prequalification packets are due February 8.
- The bid opening for the North Plant Upgrade project is expected to take place by the end of March with the intent to award the contract in April.
- A parameters resolution for bonding will tentatively come before the Board at its March Board Meeting. Staff is also looking at updating the rate study to forecast funding needs and timelines for the North Plant Upgrade project. This update will include addressing debt service coverage ratios that need to be maintained. The District hopes to have an answer soon on whether the District needs to include morally obligated bonds in the coverage ratio. The information from the updated rate study could result in the need to expedite a user fee increase.
- Some discussion was had regarding the benefits and drawbacks of including the administrative building in the contract for the North Plant Upgrade project and possible options for bidding it separately. Staff will research and report back.

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

- The last quarterly gas test was high in mercury, which has kept WRR from sending gas to the grid. Another test has been performed and results are expected soon. Staff is also optimistic that the source of atmosphere in the gas that has been taking it out of spec has been identified.
- A bearing issue was recently identified with the vacuum blower. It should be fairly easy to get parts and take care of the repair using District staff.
- One of the compressors that has been problematic has been replaced for the third time and reports are that it's running pretty smoothly.
- Staff participated in a facility tour with Dominion and Congressman Moore. The congressman is very interested in renewable energy as part of an overall energy plan.
- OxEon Energy, located in the industrial park across the street from the South Plant in North Salt Lake, is working on a couple of technologies with the goal of creating a renewable jet fuel. For their Department of Energy (DOE) grant, they need to perform a continuous concept demonstration, so they need a little bit of space for three to six weeks and another site they were looking at has gone away. They have a limited window to complete the concept demonstration and are looking to the District for space and a small amount of gas, which would be less than one tenth of our gas production. We may need to donate a small amount of electricity and a small amount of our electrician's time.

14. GENERAL MANAGER'S REPORT:

A. LEGISLATION IN SESSION.

Some legislation with potential to affect the District was discussed. Staff will keep the board apprised of any relevant legislative developments.

B. SOUTH DAVIS METRO FIRE - TRAINING FACILITY.

The Fire District is working with HF Sinclair on a site for a training facility. They have approached our District looking for space (possibly next to the West Bountiful Public Works facility).

C. STATE REVOLVING LOAN FUND.

The Water Quality Council would like a definitive answer as to whether the District wants the \$4 million proposed. This amount is not enough to significantly help the project, yet would require that the North Plant Upgrade Project adhere to "Buy America" standards which would increase overall project cost. Management is disinclined to pursue these funds unless the Board sees otherwise. The Board left this decision up to the General Manager to decide whether or not to proceed.

D. CENTERVILLE CITY REPRESENTATIVE.

Gina Hirst was re-appointed as Centerville City's representative on the Board. This is a four year term expiring the end of 2027.

15. 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, Arave, Hirst, Preece, Horrocks, Harris and Westergard voting "aye".

The Chair declared the meeting closed at 6:46 p.m.

Motion was made by Brian Horrocks seconded by Ryan Westergard 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 7:16 p.m.

16. NEXT MEETING SCHEDULED:

The next regular meeting has been scheduled for Thursday, 22 February, 5:00 p.m.

17. DISMISSAL:

The Chair declared the meeting adjourned at 7:20 p.m.



Clerk



Chair, Board of Trustees