

SOUTH DAVIS SEWER DISTRICT  
BOARD OF TRUSTEES  
REGULAR MEETING  
18 March 2021

The Board of Trustees of the South Davis Sewer District, Davis and Salt Lake Counties, met in regular session at 5:00 p.m. Due to the COVID-19 pandemic, the meeting was held electronically without an anchor location with the following members participating:

Dee Hansen	Chairman
Howard Burningham	Vice-Chairman (via videoconference)
John Davies	Trustee (via videoconference)(arr. 6:00 pm)
Randy Lewis	Trustee
Mark Preece	Trustee (via videoconference)
Len Arave	Trustee (via videoconference)
Ryan Westergard	Trustee (via videoconference)

Others meeting with the Board:

Dal Wayment	General Manager/Treasurer
Matt Myers	Assistant General Manager
Susanne Monsen	Administrative Asst/Asst Clerk
Ron Mortensen	Resident, Bountiful (via videoconference)

1. OPEN MEETING:

The Chairman called the meeting to order at 5:04 p.m. and read the Electronic Board Meeting Determination Statement.

2. APPROVAL OF MINUTES:

The Chairman asked for comments of the regular Board Meeting held 18 February 2021. After consideration motion was made by Mr. Randy Lewis seconded by Mr. Ryan Westergard to accept the Minutes as presented. Motion carried with Trustees Hansen, Burningham, Lewis, Preece, Arave and Westergard voting "aye".

3. BUDGET REPORT:

A. SOUTH DAVIS SEWER DISTRICT.

The Budget Report dated 3/11/21 was presented for review. The combined Revenue Budget has received 39% in revenues; The Collection System is 26% expended; Treatment Plants are 21% expended; Industrial Pretreatment is 23% expended; Capital Expansion is 1% expended; Water Quality Group (JR/FB) is 14% expended; OU2 Remediation is 18% expended; Water Quality Group (Utah Lake) is 11% expended; and General & Admin is 17% expended. The budget ratio to calendar months is 20%.

B. WASATCH RESOURCE RECOVERY (WWR).

The Budget Report dated 3/11/21 for WRR was presented for review. The Revenue Budget has received 6% in revenues and is 13% expended. The budget ratio to calendar months is 20%.

4. INVESTMENT REPORT:

Current investments (February/2021) are maintained by Zions Bank, Public Treasurer's Investment Fund (PTIF) and Moreton Asset Management. Zions Trust held approximately \$9.9 million at an interest rate of 0.4428% (funds are with PTIF); PTIF held approximately \$7.5 million at an interest rate of 0.4428%; and, Moreton held approximately \$1.8 million at an interest rate of 1.0063%.

5. APPROVAL OF DISBURSEMENTS:

Trustees reviewed the Zions Bank check numbers 30853, 30864 and 30920. After consideration motion was made by Mr. Howard Burningham seconded by Mr. Mark Preece to accept the Disbursements as presented. Motion carried unanimously with Trustees Hansen, Burningham, Lewis, Preece, Arave and Westergard voting "aye".

6. APPROVAL OF SEWER LINE AGREEMENTS:

A. EAGLEWOOD COVE SUBDIVISION PHASE 13 - PROJECT NO. 3-21.

Mr. Wayment recommended the Agreement for Eaglewood Cove Subdivision Phase 13, located at approximately 800 South Tanglewood Loop in North Salt Lake, known as Project 3-21, be accepted.

B. WOODS CROSS BUSINESS PARK - PROJECT NO. 4-21.

Mr. Wayment recommended the Agreement for Woods Cross Business Park, located at approximately 1180 South 1800 West in Woods cross, known as Project No. 4-21, be accepted.

C. JOE AND BETTY EGGETT SUBDIVISION PHASE 6 - PROJECT NO. 5-21.

Mr. Wayment recommended the Agreement for Joe and Betty Eggett Subdivision Phase 6, located at approximately 1450 East 1800 South in Bountiful, known as Project No. 5-21, be accepted.

D. STEVENS MESA - PROJECT NO. 6-21.

Mr. Wayment recommended the Agreement for Stevens Mesa, located at 1167 North Main in Centerville, known as Project No. 6-21, be accepted.

Motion was made by Mr. Mark Preece seconded by Mr. Len Arave to authorize the Chairman to sign the Agreements for Eaglewood Cove Subdivision Phase 13, Woods Cross Business Park, Joe and Betty Subdivision Phase 6 and Stevens Mesa. Motion carried unanimously with Trustees Hansen, Burningham, Lewis, Preece, Arave and Westergard voting "aye".

7. SOUTH PLANT:

A. COMPLIANCE STATUS FOR PHOSPHORUS AND AMMONIA - REPORT.

We are working with the State on phosphorus variance for 2020 and 2021. Phosphorus removal at both plants is improving. The South Plant Notice of Violation (NOV) is on the Water Quality Board agenda for next week. The plant met ammonia limits in November and December, but is out of compliance in January, February, and March. District and local resources have been exhausted in trying to solve this problem. We would like to retain Dr. Glen Daigger. Dr. Daigger is a nationally and internationally respected professor and engineer with particular experience in nutrient removal.

We would also like to initiate a 90-day effluent toxicity study of the South Plant effluent with Dr. Ramesh Goel at the University of Utah.

Motion was made by Mr. Len Arave seconded by Mr. Randy Lewis to approve the contract with Dr. Ramesh Goel at the University of Utah for the South Plant Effluent Toxicity Study in the amount of \$20,000.00. Motion carried unanimously with Trustees Hansen, Burningham, Lewis, Preece, Arave and Westergard voting "aye".

B. CONSTRUCTION PROGRESS - REPORT.

We had a three-hour work session with Aqua Engineering and Alder Construction this morning to review budget and schedule. Engineering is 90% complete. Alder Construction has completed a detailed update of project costs. Estimated total project costs have risen from \$10.2 million to \$16 million. Approximately \$1 million is due to increases in the scope of work. Part of the increase is due to the engineering design going from 30% to 90% and having more detailed information available. Most of the increase, however, is due to inflation. Construction materials and equipment are all increasing significantly. In the last week the cost of a 2x4 went from \$5 to \$7. Electrical has seen particularly large increases. Lead times have often almost doubled. The amount of stimulus money being funneled into public works and other areas of construction will continue to put upward pressure on costs.

C. ODOR CONTROL SYSTEM - REPORT.

Odor complaints are down significantly. Mayor Arave noted the City still receives some calls, but the odors are less offensive. As the digesters have matured the actual nature of the digestate has changed for the better. The odor neutralization system is in place and in operation. The District would like to be notified of any/all complaints.

8. NORTH PLANT:

A. REHABILITATION AND NUTRIENT REMOVAL PROJECT - REPORT.

The engineers design report has been with the State for several months. Staff changes at the State have caused approval delays. We had a teleconference with the State last Tuesday and were assured that this review has top priority. If we can get the design report approved by the end of April we are shooting for construction in the spring of 2022 and hope to have the project completed by the fall of 2024.

B. COMPLIANCE STATUS FOR PHOSPHORUS AND AMMONIA - REPORT.

The plant has been out of compliance for phosphorus. A year ago, we switched from ferric chloride to ferric sulfate as it was less expensive and less corrosive. We have switched back to ferric chloride and installed a larger metering pump and larger feed lines. We have been back in compliance for the past two weeks.

9. WASATCH RESOURCE RECOVERY (WRR):

A. FEEDSTOCK - REPORT.

New feed stock sources were reviewed. The public drop-off has been advertised.

B. GAS PRODUCTION - REPORT.

The digesters are healthy and gas production is good. Food waste digesters require trace nutrients such as cobalt and nickel. These nutrient formulas are very expensive. We are working with Dr. Sheril Burton to better understand nutrient requirements and to hopefully source directly as commodities.

C. CONSIDER REPLACEMENT OF GAS SCRUBBER COMPRESSOR.

For the last 90 days we have struggled with keeping the main feed gas compressor in operation. The control valves integrated in the compressor itself have had two major failures and have had to be rebuilt. The oil lubrication and cooling system has had numerous failures. The internal SCADA system needs continual adjustments to keep the compressor operating. The oil coalescing and filtering system is very inefficient. After reviews with our engineer, Alder Construction and the specialists called in to assist with the compressor, we all agree that the compressor needs to be replaced. As the construction contractor, Alder has taken responsibility for this equipment and is replacing it.

10. GENERAL MANAGER'S REPORT:

A. 2019 CONSOLIDATED ANNUAL FINANCIAL REPORT - GFOA AWARD.

Mr. Wayment reported the District received its Certificate of Achievement for Excellence in Financial Reporting for 2019 from the Governments Finance Officers Association (GFOA) of the U.S. and Canada. This is the 21st consecutive year the District has received this award.

B. PUBLIC COMPLAINT - STATE AUDITOR'S OFFICE.

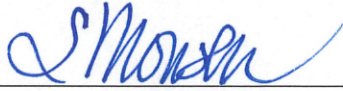
Steve Capson, the District's auditor, was contacted by State Auditor's Office. They have received a complaint that the District was subsidizing the WRR project to Alder's benefit. Mr. Capson responded that to the best of his knowledge the District has made every effort from the initial funding of the project through daily operations to fairly and equitably apportion all costs equally to both parties. The District has detailed policies and procedures in place to capture all labor, materials, equipment, and other costs attributable to WRR.

11. NEXT MEETING SCHEDULED:

The next meeting has been scheduled for Thursday, 15 April 2021, 5:00 p.m.

12. DISMISSAL:

The Chairman declared the meeting adjourned at 7:13 p.m.



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Assistant Clerk

  
Chairman, Board of Trustees