

SOUTH DAVIS SEWER DISTRICT
BOARD OF TRUSTEES
REGULAR MEETING
5 December 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
Brian Horrocks	Trustee
Kendalyn Harris	Trustee (arr.5:06 pm)
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
Ron Mortensen	Resident, Bountiful
Jacob Scott	Resident, Centerville
Darrell Child	Olympus Insurance Agency
Matt Dugdale	Stifel Public Finance
Ryan Bjerke	Chapman and Cutler

1. OPEN MEETING:

The Chairman called the meeting to order at 5:03 p.m.

2. PUBLIC COMMENTS:

None

3. APPROVAL OF MINUTES:

The Chairman asked for comments of the regular Board Meeting held 21 November 2024. After consideration motion was made by Mark Preece seconded by Brian Horrocks to accept the Minutes as presented. Motion carried with Trustees Burningham, Arave, Hirst, Preece, Horrocks and Harris voting "aye". Ryan Westergard was excused last meeting and abstained from the vote.

4. BUDGET REPORT:

A. SOUTH DAVIS SEWER DISTRICT.

The Budget Report ending November/2024 was presented for review. The combined Revenue Budget has received 87% in revenues. The Collection System is 74% expended; Treatment Plants are 83% expended; Industrial Pretreatment is 97% expended; Capital Expansion is 32% expended; Water Quality Group (JR/FB) is 80% expended; OU2 Remediation is 79% expended; Water Quality Group (UT LK) is 85% expended; and General & Admin is 61% expended. The budget ratio to calendar months is 91%.

B. WASATCH RESOURCE RECOVERY.

The Budget Report ending November/2024 was presented for review. The Revenue Budget has received 49% in Revenues and is 77% expended. The budget ratio to calendar months is 91%.

5. INVESTMENT REPORT:

Current investments (November/2024) are maintained by Zions Bank, Public Treasurers Investment Fund (PTIF) and Moreton Asset Management. Zions Trust held approximately \$256,000 at an interest rate of 5.0670% (funds are with PTIF); PTIF held approximately \$5.6 million at an interest rate of 5.0670%; and Moreton held approximately \$2 million at an interest rate of 4.2316%.

6. APPROVAL OF DISBURSEMENTS:

Trustees reviewed Zions Bank check numbers 35747 and 35760. After further consideration motion was made by Len Arave seconded by Ryan Westergard to accept the Disbursements as presented. Motion carried unanimously with Trustees Burningham, Arave, Hirst, Preece, Horrocks, Harris and Westergard voting "aye".

7. APPROVAL OF SEWER LINE EASEMENTS:

A. RENAISSANCE LOT 11 - PROJECT NO. 2-24.

This Easement covers the sanitary sewer installation located in the private driveways/roadways in this project.

Motion was made by Gina Hirst seconded by Mark Preece to accept the Easement for Renaissance Lot 11 as discussed. Motion carried unanimously with Trustees Burningham, Arave, Hirst, Preece, Horrocks, Harris and Westergard voting "aye".

8. APPROVAL OF SEWER LINE DEEDS:

A. THE AUDREY SUBDIVISION - PROJECT NO. 2-22.

The Deed for The Audrey Subdivision, located at 851 South 1100 West in Woods Cross, has been received. The total sewer costs for this development are \$229,842.00.

B. EAGLEWOOD COVE SUBDIVISION PHASE 14, PUD - PROJECT NO. 1-24.

The Deed for Eaglewood Cove Subdivision Phase 14, PUD, located at 600 South 1400 East (Cove Crest Ct) in North Salt Lake, has been received. The total sewer costs for this development are \$109,710.00.

C. RENAISSANCE LOT 11 - PROJECT NO. 2-24

The Deed for Renaissance Lot 11, located at 1791 S Renaissance Towne Drive in Bountiful, has been received. The total sewer costs for this development are \$115,143.00

Motion was made by Gina Hirst seconded by Len Arave to accept the Deeds for The Audrey Subdivision, Eaglewood Cove Subdivision Phase 14 and Renaissance Lot 11. Motion carried unanimously with Trustees Burningham, Arave, Hirst, Preece, Horrocks, Harris and Westergard voting "aye".

9. ADOPT 2025 MEETING SCHEDULE:

After some review and discussion motion was made by Ryan Westergard seconded by Brian Horrocks to approve the 2025 Board Meeting Schedule as discussed and corrected. Motion carried unanimously with Trustees Burningham, Arave, Hirst, Preece, Horrocks, Harris and Westergard voting "aye".

10. CONSIDER RESOLUTION NO. 185 AUTHORIZING THE ISSUANCE AND SALE OF UP TO \$32 MILLION OF THE DISTRICT'S COMBINED UTILITY SYSTEM REVENUE BONDS AND PROVIDING FOR RELATED MATTERS:

Matt Myers and Ryan Bjerke reviewed the purpose of this Resolution. This is a delegating resolution, which allows for some final determinations to be made for details required for closing by either lender, trustee, bond insurer, or other interested party immediately prior to closing. There will not be any changes to the major parameters as adopted, and Stifel as Advisor as well as Chapman and Cutler as bond counsel will be on point to advise. Signing will take place on 12/16/24 and closing will take place on 12/18/24.

Motion was made by Brian Horrocks seconded by Ryan Westergard to adopt Resolution No. 185 Authorizing the Issuance and Sale of up to \$32 Million of the District's Combined Utility System Revenue Bonds and Providing for Related Matters as presented. Motion carried unanimously via a roll call vote with Trustees Burningham, Arave, Hirst, Preece, Horrocks, Harris and Westergard voting "aye".

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

A. CONSIDER CHANGE ORDER NO. 2.

Change Order #2 Eliminates ductbank rebar (deduct \$110,611) while changing the standby electrical generation from being supplied by a single 2 Megawatt (MW) unit to being supplied by two 1 MW units (add \$150,615). Rebar in the ductbank was deemed to be unnecessary by the Engineer, while utilizing two generators for backup power adds better redundancy and operational flexibility going forward. There is also a shorter lead time for smaller gensets.

Motion was made by Len Arave seconded by Mark Preece to approve Change Order No. 2 in the amount of \$40,004.00. Motion carried unanimously with Trustees Burningham, Arave, Hirst, Preece, Horrocks, Harris and Westergard voting "aye".

12. 2025 INSURANCE RENEWAL - REVIEW:

Darrell Child, Olympus Insurance Agency, reviewed current insurance coverages for the District and Wasatch Resource Recovery. The coverage for 2025 remains approximately the same, with the addition of new processes built/completed in 2024. This will increase our premiums for 2025 approximately 15%. The proposed 2025 budget that will be reviewed in the Public Hearing has been updated to reflect this increase.

13. OPEN PUBLIC HEARING TO RECEIVE PUBLIC INPUT WITH RESPECT TO THE DISTRICT'S 2025 TENTATIVE BUDGET (6:00 P.M.):

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

A. PRESENTATION.

There was only one change to the tentative 2025 budget as presented in October: adding a \$35,000 WRR lease payment to SDSA line item on the revenues section.

B. PUBLIC COMMENTS.

Ron Mortensen asked whether a rate or tax increase expected in 2025. Currently - no, but this is highly dependent on construction progress and other financial considerations.

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

14. CONSIDER RESOLUTION NO. 107-25 - ADOPTING 2025 BUDGET:

Motion was made by Gina Hirst seconded by Ryan Westergard to approve Resolution No. 107-25 adopting the 2025 Budget. Motion carried unanimously via a roll call vote with Trustees Burningham, Arave, Hirst, Preece, Horrocks, Harris and Westergard voting "aye".

15. NEXT MEETING SCHEDULED:

The next meeting has been scheduled for Thursday, 16 January 2025, 5:00 p.m.

16. DISMISSAL:

The Chair declared the meeting adjourned at 6:30 p.m.



Clerk


Chair, Board of Trustees