

SOUTH DAVIS SEWER DISTRICT  
BOARD OF TRUSTEES  
REGULAR MEETING  
18 November 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. at the District Office located at 1800 West 1200 North, West Bountiful, Utah, with the following members present:

Dee Hansen	Chairman
Howard Burningham	Vice-Chairman
John Davies	Trustee (via videoconference)
Mark Preece	Trustee
Len Arave	Trustee
Ryan Westergard	Trustee

Excused:

Randy Lewis	Trustee
-------------	---------

Others meeting with the Board:

Dal Wayment	General Manager/Treasurer
Matt Myers	Assistant General Manager
Mark Katter	Accounting Manager/Clerk
Susanne Monsen	Administrative Asst/Asst Clerk
Ryan Bjerke	Chapman and Cutler
Marcus Keller	Zions Public Finance
Ron Mortensen	Resident, Bountiful

1. OPEN MEETING:

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

2. MINUTES:

The Chairman asked for comments of the work session held 21 October 2021. After consideration motion was made by Mr. Len Arave seconded by Mr. Mark Preece to accept the work session Minutes as presented. Motion carried unanimously with Trustees Hansen, Burningham, Davies, Preece, Arave and Westergard voting "aye".

The Chairman then asked for comments of the regular Board Meeting and Public Hearing held 21 October 2021. After consideration motion was made by Mr. Mark Preece seconded by Mr. Len Arave to accept the Minutes as presented. Motion carried unanimously with Trustees Hansen, Burningham, Davies, Preece, Arave and Westergard voting "aye",

3. BUDGET REPORT:

A. SOUTH DAVIS SEWER DISTRICT.

The Budget Report ending October/2021 was presented for review. The combined Revenue Budget has received 79% in revenues; The Collection System is 79% expended; Treatment Plants are 83% expended; Industrial Pretreatment is 82% expended; Capital Expansion is 24% expended; Water Quality Group (JR/FB) is 75% expended; OU2 Remediation is 66% expended; Water Quality Group (Utah Lake) is 75% expended; and General & Admin is 56% expended. The budget ratio to calendar months is 83%.

B. WASATCH RESOURCE RECOVERY (WRR).

The Budget Report ending October/2021 for WRR was presented for review. The Revenue Budget has received 78% in revenues and is 86% expended. The budget ratio to calendar months is 83%.

4. INVESTMENT REPORT:

Current investments (October/2021) are maintained by Zions Bank, Public Treasurer's Investment Fund (PTIF) and Moreton Asset Management. Zions Trust held approximately \$5.2 million at an interest rate of 0.3313% (funds are with PTIF); PTIF held approximately \$4.0 million at an interest rate of 0.3313%; and Moreton held approximately \$1.8 million at an interest rate of 0.9722%.

5. APPROVAL OF DISBURSEMENTS:

Trustees reviewed the Zions Bank check number 31799. After consideration and some review motion was made by Mr. Howard Burningham seconded by Mr. Len Arave to accept the Disbursements as presented. Motion carried unanimously with Trustees Hansen, Burningham, Davies, Preece, Arave and Westergard voting "aye".

6. CONSIDER RESOLUTION NO. 181 AUTHORIZING THE ISSUANCE OF NOT MORE THAN \$10 MILLION OF COMBINED UTILITY SYSTEM REVENUE BONDS; FIXING CERTAIN PARAMETERS FOR THE BONDS AND PROVIDING FOR RELATED MATTERS:

The Board reviewed a proposal from Zions Public Finance to provide \$10 million for the rehabilitation of the District's two treatment plants and the addition of nutrient removal processes at both plants. The bond would have a fixed rate of 2.05% for 15 years and a variable rate from a minimum of 1.1% and a maximum of 6.1%, the rate to be indexed each year to the one year advanced fixed rate as quoted by the Des Moines Federal Home Loan Bank for the remaining five years. The terms and conditions were discussed with Mr. Marcus Keller from Zions Public Finance. Mr. Ryan Bjerke, the District's Bond Counsel, reviewed the Resolutions and requirements that needed to be met.

Motion was made by Mr. Howard Burningham seconded by Mr. Ryan Westergard to adopt Resolution No. 181 as discussed and presented. Motion carried unanimously with Trustees Hansen, Burningham, Davies, Preece, Arave and Westergard voting "aye".

7. SCHEDULE SPECIAL MEETING FOR PUBLIC HEARING AND BOND RESOLUTION:

Motion was made by Mr. Ryan Westergard seconded by Mr. Mark Preece to schedule a Special Meeting and Public Hearing for the Bond Resolution to be held at 4:00 p.m. on Monday, 6 December 2021. Motion carried unanimously with Trustees Hansen, Burningham, Davies, Preece, Arave and Westergard voting "aye".

8. CONSIDER ACCEPTING CREDIT CARD PAYMENTS:

The District currently accepts electronic payments via BDS and ACH. The District has been reluctant to accept credit card payments because of transaction fees. It is becoming increasingly difficult for people to pay sewer fees and other payments as fewer people use traditional checking accounts. The District has become aware of programs where the payor is charged the transaction fee. District staff has reviewed services provided by several different entities. These different proposals and the pros and cons of credit card payments were discussed.

Motion was made by Mr. Ryan Westergard seconded by Mr. Howard Burningham to accept credit card payments. District staff to further review and prepare a policy for implementing credit card

payments. Motion carried unanimously with Trustees Hansen, Burningham, Davies, Preece, Arave and Westergard voting “aye”.

9. APPOINT AUDITOR – 2021 AUDIT:

Staff recommended retaining Karren, Hendrix, Stagg, Allen Company to perform the 2021 Audit. After some discussion motion was made by Mr. Howard Burningham seconded by Mr. Mark Preece to appoint Karren, Hendrix, Stagg, Allen Company to perform the 2021 audit. Motion carried unanimously with Trustees Hansen, Burningham, Davies, Preece, Arave and Westergard voting “aye”.

10. WASATCH RESOURCE RECOVERY (WRR) PROJECT REPORT:

The District purchases natural gas for digester heating at WRR and both plants. The gas is purchased from British Petroleum (BP) and transported by Dominion Energy. The District has switched to a monthly index rather daily index to reduce price fluctuations during the winter. The renewal natural gas produced by WRR is sold to BP. BP has offered to increase the purchase price from \$10.50 to \$12.50 per dekatherm in return for an extension of two years on the sales contract.

The new compressor, VFD and switch gear have been delivered. Piping and other materials have been procured. Installation work will proceed in December. We expect to be down for two weeks during this process.

11. SOUTH PLANT PROJECT PROGRESS REPORT:

Staff from the District, Aqua Engineering and Alder Construction conducted a workshop to review the project budget for the South Plant. Inflation and supply chain issues continue to be a problem. Change Orders for additional work were reviewed. Current estimated project costs are \$14,302,000.

Motion was made by Mr. Howard Burningham seconded by Mr. Len Arave to approve the revised project budget per the schedule of values dated 11/18/21. Motion carried unanimously with Trustees Hansen, Burningham, Davies, Preece, Arave and Westergard voting “aye”.

12. NORTH PLANT PROJECT PROGRESS REPORT:

Engineering on the North Plant is well under way. We recently had two half-day workshops with Glen Daigger, PhD, Jeremy Guest, PhD and Art Umble, PhD, our process design team. This was a successful and productive meeting providing designers with guidance on these fundamental issues. The District asked Aqua Engineering to provide an updated review of alternatives for the North Plant design. These alternatives provided options with and without the algae based ABNR technology.

Motion was made by Mr. Len Arave seconded by Mr. Mark Preece to approve Option 2 which retains the ABNR technology. Motion carried unanimously with Trustees Hansen, Burningham, Davies, Preece, Arave and Westergard voting “aye”.

13. GENERAL MANAGER’S REPORT:

A. COVID IN WASTEWATER.

The District recently received a copy of the data generated by the Utah Department of Health in analyzing treatment plant influents for Covid-19. The results show that the concentration of Covid-19 markers in the wastewater clearly parallel the incidents of Covid-19 in the general population. This approach is being worked on now by numerous researchers all of the country.

14. NEXT MEETING SCHEDULED:

The next meeting has been scheduled for Thursday, 2 December 2021, 5:00 p.m.

15. DISMISSAL:

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

---

Chairman, Board of Trustees

---

Clerk