

SOUTH DAVIS SEWER DISTRICT
BOARD OF TRUSTEES
REGULAR MEETING
21 May 2020

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 (via videoconference)
John Davies	Trustee (via videoconference)
Randy Lewis	Trustee (via videoconference)
Mark Preece	Trustee (via videoconference)
Len Arave	Trustee (via videoconference)
Ryan Westergard	Trustee (via videoconference)(Excused 6:15 pm)

Others meeting with the Board:

Dal Wayment	General Manager/Treasurer
Mark Katter	Accounting Manager/Clerk
Susanne Monsen	Administrative Asst/Asst Clerk
Matt Myers	Engineer

1. OPEN MEETING:

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

2. IN REMEMBRANCE - CHARLES L. PAYNE:

The District was notified on Wednesday (5/20/20) of the death of Charles L. Payne. Charlie was appointed by Woods Cross City as their representative on the District's Board of Trustees in January 1968, where he served as Trustee until April 1979. He then served as Vice-Chairman of the Board from May 1979 through December 1995, and then as Chairman from January 1996 through December 2012. After 45 years of dedicated service to the District and the Community on the Board, he felt it was time to retire. His association with the Board and staff will be greatly missed.

3. APPROVAL OF MINUTES:

The Chairman asked for comments of the regular Board Meeting held 16 April 2020. After consideration motion was made by Mr. John Davies seconded by Mr. Randy Lewis to accept the Minutes as presented. Motion carried unanimously with Trustees Hansen, Burningham, Davies, Lewis, Preece, Arave and Westergard voting "aye",

4. BUDGET REPORT:

A. SOUTH DAVIS SEWER DISTRICT.

The Budget Report dated 5/20/20 was presented for review. The combined Revenue Budget has received 22% in revenues; the Collection System is 39% expended; Treatment Plants are 43% expended; Industrial Pretreatment is 41% expended; Capital Expansion is 4% expended; Water Quality Group (JR/FB) is 34% expended; OU2 Remediation is 35% expended; Water Quality Group (Utah Lake) is 34% expended; and General & Admin is 43% expended. The budget ratio to calendar months is 39%.

B. WASATCH RESOURCE RECOVERY (WRR).

The Budget Report dated 5/20/20 for WRR was presented for review. The Budget has received 5% in revenues and is 32% expended. The budget ratio to calendar months is 39%.

5. INVESTMENT REPORT:

Current investments (April/2020) are maintained by Zions Trust, Public Treasurer's Investment Fund (PTIF) and Moreton Asset Management. Zions Trust held approximately \$10 million at an interest rate of 1.4399% (funds are with PTIF); PTIF held approximately \$6.7 million at an interest rate of 1.4399%; and, Moreton held approximately \$1.7 million at an interest rate of 1.5216%.

6. APPROVAL OF DISBURSEMENTS:

Trustees requested review of Zions Bank check numbers 29715 and 29759.

A. PURCHASE - BROWN BEAR.

The current Brown Bear machine has had several repairs over the past few months and replacement parts are becoming difficult to obtain. Staff found and purchased a 1990 Model 300 Brown Bear in excellent condition for \$25,200.00. This new unit is now being used while repairs are being made to the existing unit. Both units should provide an additional five years of service.

After consideration motion was made by Mr. Mark Preece seconded by Mr. Ryan Westergard to accept the Disbursements as presented including the purchase of the Brown Bear. Motion carried unanimously with Trustees Hansen, Burningham, Davies, Lewis, Preece, Arave and Westergard voting "aye".

7. APPROVAL OF SEWER LINE AGREEMENTS:

A. 5th AND ORCHARD - PROJECT NO. 4-20.

Mr. Wayment recommended the Agreement for 5th and Orchard, located at 320 East 500 South in Bountiful, known as Project No. 4-20, be accepted.

Motion was made by Mr. John Davies seconded by Mr. Mark Preece to authorize the Chairman to sign the Agreement for 5th and Orchard. Motion carried unanimously with Trustees Hansen, Burningham, Davies, Lewis, Preece, Arave and Westergard voting "aye".

8. APPROVAL OF SEWER LINE DEEDS:

A. HIGHGATE ESTATES SUBDIVISION - PROJECT NO. 2-18.

The Deed for Highgate Estates Subdivision located in West Bountiful, has been received. The total sewer costs for this development are \$288,494.00.

B. SHAMROCK VILLAGE PHASE 5 SUBDIVISION - PROJECT NO. 2-19.

The Deed for Shamrock Village Phase 5 Subdivision located in Woods Cross, has been received. The total sewer costs for this development are \$166,569.00.

Motion was made by Mr. Howard Burningham seconded by Mr. Len Arave to accept the Deeds for Highgate Estates Subdivision and Shamrock Village Phase 5 Subdivision. Motion carried unanimously with Trustees Hansen, Burningham, Davies, Lewis, Preece, Arave and Westergard voting "aye".

9. AUDIT COMMITTEE MEETING:

Mr. Ryan Westergard, Chairman of the Audit Committee, reported the Committee (Ryan Westergard, Howard Burningham and Mark Preece) met with the District's auditor, Mr. Steve Capson of Karren, Hendrix, Stagg, Allen and Company, at 10:00 a.m. on Thursday, 4/23/20, via videoconference, regarding the upcoming 2019 Audit.

10. NOTICE OF VIOLATION (NOV)/COMPLIANCE ORDER - REPORT:

Submittals for the NOV are current. We are currently working on the Industrial Pretreatment portion. We are exploring options to reduce ammonia levels. The Division of Water Quality has suggested breakpoint chlorination as a possibility. This is being investigated.

11. CITY OF NORTH SALT LAKE ODOR CITATION - REPORT:

The City of North Salt Lake issued the District a Notice of Code Violation for odors from the South Plant which affect the residents of the Foxboro neighborhood. The Order requires the District to "make all needed repairs and upgrade to the District's plant so that the release of noxious odors and gasses cease as soon as possible and not later than 5/31/2020".

The District has retained Jacobs Engineering Group, a national firm with specialists in odor control for assistance. They have responded quickly. They have completed an initial site visit. They will have their initial sampling and instrumentation set up and in place on 5/26/20. District staff continues to work on the forced aeration project for the roughing tower. This is on schedule and will be completed by the end of May. Mr. Lewis asked if other installations have a similar odor problem. We have researched the literature and contacted a number of consultants working in anaerobic digestion. We have not found another facility with a similar problem. Mr. Lewis asked if any of this would be covered by a warranty or other guarantee. The uniqueness of the problem would seem to preclude any such claim.

Motion was made by Mr. Len Arave seconded by Mr. Mark Preece to approve the contract with Jacobs Engineering Group in the amount of \$39,788.00 as presented. Motion carried unanimously with Trustees Hansen, Burningham, Davies, Lewis, Preece and Arave voting "aye".

12. CAPITAL PROJECT FINANCING - REPORT:

The interest lock on the proposed Zions bond has expired. Because of the uncertainties introduced by the NOV we were unable to close on that bond. The additional uncertainties related to the COVID pandemic make this a poor time to seek a rate increase. We are working with Zions Public Finance on a construction bonding and rate structure to support mandated and necessary capital improvements.

Staff will schedule an additional meeting of the Project Management Committee to review reserves and cash flow for WRR and discuss funding with ALPRO. Committee members will be notified of meeting date.

13. WASATCH RESOURCE RECOVERY (WRR) - REPORT:

The digesters have recovered and are functioning nicely. Gas production is up. The gas scrubbing skid has been placed on-line. Required testing to be able to introduce gas into the Dominion system is scheduled for 5/29/20. We are hoping to introduce gas into the Dominion system in 3-4 weeks.

14. NORTH PLANT AMMONIA TREATMENT - REPORT:

The North Plant has returned to compliance with the ammonia limit in its permit. We are seeking a change in the limit from concentration based to a mass loading which should enable consistent compliance for as long as it takes to get nutrient removal added.

15. RESCHEDULE JUNE BOARD MEETING:

In order to complete the 2019 Audit and CAFR and meet State Statute and GFOA deadlines staff would like to reschedule the June Board Meeting one week later and meet at 5:00 p.m. on Thursday, June 25th. This date is agreeable to all Board Members.

16. GENERAL MANAGER'S REPORT:

A. LETTER - MARK HUTCHINGS.

The District received an email from a resident complimenting the CS crew on their excellent service in dealing with a sewer backup and a lateral lining project.

B. 2019 HEALTH INSURANCE REFUND FROM PEHP.

The District received a refund from PEHP in the amount of \$21,697.00 for 2019.

C. LAND USE AND POPULATION PROJECTIONS.

The Board received an updated assessment of population growth, sewer connections growth and wastewater volume growth through build-out. Because of the trend in much higher densities in residential housing it was important to determine future wastewater treatment needs. The current population of the District is 100,000, the projected population is 121,000. This agrees closely with the Wasatch Front Regional Council projections.

17. NEXT MEETING SCHEDULED:

The next meeting has been scheduled for Thursday, 25 June 2020, 5:00 p.m.

18. DISMISSAL:

The meeting ended at 6:56 p.m.



Vice-Chairman, Board of Trustees



Clerk