

SOUTH DAVIS SEWER DISTRICT  
BOARD OF TRUSTEES  
REGULAR MEETING  
25 June 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:

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

Excused:

Dee Hansen	Chairman
Randy Lewis	Trustee

Others meeting with the Board:

Dal Wayment	General Manager/Treasurer
Mark Katter	Accounting Manager/Clerk
Susanne Monsen	Administrative Asst/Asst Clerk
Matt Myers	Engineer
Steve Capson	Karren Hendrix Stagg Allen & Co CPAs (via videoconference)

1. APPROVAL OF MINUTES:

The meeting was called to order at 5:00 p.m. at which time the Vice-Chairman asked for comments of the regular Board Meeting held 21 May 2020. After consideration motion was made by Mr. John Davies seconded by Mr. Mark Preece to accept the Minutes as presented. Motion carried unanimously with Trustees Burningham, Davies, Preece, Arave and Westergard voting "aye",

2. BUDGET REPORT:

A. SOUTH DAVIS SEWER DISTRICT.

The Budget Report dated 6/20/20 was presented for review. The combined Revenue Budget has received 23% in revenues; the Collection System is 44% expended; Treatment Plants are 48% expended; Industrial Pretreatment is 48% expended; Capital Expansion is 10% expended; Water Quality Group (JR/FB) is 41% expended; OU2 Remediation is 41% expended; Water Quality Group (Utah Lake) is 41% expended; and General & Admin is 50% expended. The budget ratio to calendar months is 48%.

B. WASATCH RESOURCE RECOVERY (WRR).

The Budget Report dated 6/24/20 for WRR was presented for review. The Budget has received 7% in revenues and is 38% expended. The budget ratio to calendar months is 48%.

3. INVESTMENT REPORT:

Current investments (May/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 1.1947% (funds are with PTIF); PTIF held approximately \$7.2 million at an interest rate of 1.1947%; and, Moreton held approximately \$1.8 million at an interest rate of 1.4769%.

4. APPROVAL OF DISBURSEMENTS:

Trustees requested review of Zions Bank check number 29834. After consideration motion was made by Mr. Len Arave seconded by Mr. John Davies to accept the Disbursements as presented. Motion carried unanimously with Trustees Burningham, Davies, Preece, Arave and Westergard voting "aye".

5. APPROVAL OF SEWER LINE AGREEMENTS:

A. ARROWHEAD TWIN HOMES PUD - PROJECT NO. 5-20.

Mr. Wayment recommended the Agreement for Arrowhead Twin Homes PUD, located at 175 East 300 North in North Salt Lake, known as Project No. 5-20, be accepted.

B. CITY WALK - PROJECT NO. 6-20.

Mr. Wayment recommended the Agreement for City Walk, located at 331 North Main in North Salt Lake, known as Project No. 6-20, be accepted.

Motion was made by Mr. Mark Preece seconded by Mr. Len Arave to authorize the Vice-Chairman to sign the Agreements for Arrowhead Twin Homes PUD and City Walk. Motion carried unanimously with Trustees Burningham, Davies, Preece, Arave and Westergard voting "aye".

6. 2019 AUDIT/CAFR - REVIEW AND APPROVE:

Mr. Steve Capson of Karren, Hendrix, Stagg, Allen & Company, outlined the results of the 2019 audit. The District was given an unqualified Audit opinion. Mr. Arave asked about reporting financial information on Wasatch Resource Recovery in the audit. Mr. Capson explained that using the equity method of accounting this was not necessary.

After review and some discussion motion was made and amended by Mr. John Davies seconded by Mr. Mark Preece to accept the 2019 Audit as presented by Karren, Hendrix, Stagg, Allen & Company. Motion carried unanimously with Trustees Burningham, Davies, Preece and Arave voting "aye".

Again, this year, the District will issue a Comprehensive Annual Financial Report (CAFR) as part of the annual audit. The CAFR provides extensive discussion and statistics regarding the District's financial activities. Mr. Len Arave requested that additional financial information on Wasatch Resource Recovery (WRR) be added to the supplemental information portion of the 2019 CAFR.

After review and some discussion motion was made by Mr. Ryan Westergard seconded by Mr. John Davies to accept the Comprehensive Annual Financial Report for the year ending 2019. The motion and second were then amended to include the additional financial information as discussed. Motion carried unanimously with Trustees Burningham, Davies, Preece and Arave voting "aye".

7. CONSIDER ADOPTION OF UPDATED BYLAWS:

The District's Bylaws have not been updated for several years and are out of date in several areas. Mr. Mark Anderson, attorney for the District, has revised the Bylaws and included current State Statute requirements. Because of the number of updates/changes it was necessary to re-write a new document rather than amend the previous Bylaws.

After consideration motion was made by Mr. Len Arave seconded by Mr. Mark Preece adopt the updated Bylaws as presented. Motion carried unanimously with Trustees, Burningham, Davies, Preece and Arave voting "aye".

8. CONSIDER RESOLUTION NO. 138-1 / ADOPTION OF UPDATED BOARD MEETING POLICIES AND PROCEDURES:

The Board Meeting Policies and Procedures have not been updated for several years and are out of date in several areas. With the necessity of electronic meetings due to the COVID-19 pandemic and Executive Orders issued by the Governor, Mr. Mark Anderson has reviewed and revised the Board Meeting Policies and Procedures to reflect current State Statute requirements and clarify other sections. Because of the number of updates/changes it was necessary to re-write a new document rather than amend the previous Policies and Procedures.

After consideration motion was made by Mr. John Davies seconded by Mr. Ryan Westergard to adopt the updated Board Meeting Policies and Procedures as presented. Motion carried unanimously with Trustees, Burningham, Davies, Preece and Arave voting "aye".

9. CONSIDER RESOLUTION NO. 113-20 / ADOPTION OF THE CERTIFIED TAX RATE:

The County Assessor's office has calculated and forwarded the documentation for the District's certified tax rate for this budget year. Based on their assessed valuation the certified tax rate for 2020 will be .000226 and generate revenues in the amount of \$2,094,796.00. After further discussion motion was made by Mr. John Davies seconded by Mr. Mark Preece to adopt the Certified Tax Rate of .000226 through Resolution No. 113-20. Motion carried unanimously with Trustees Burningham, Davies, Preece and Arave voting "aye".

10. CONSIDER RESOLUTION NO. 123-2 / ADOPTION OF UPDATED INDUSTRIAL PRETREATMENT RULES AND REGULATIONS:

The Division of Water Quality (DWQ) has required the District to update its Industrial Pretreatment Rules and Regulations as they do not meet current standards. During this process we have combined Resolution No. 105 (Regulations for Use of Public Sewer) into this updated version of Resolution No. 123 to eliminate duplication. This Resolution has been reviewed by DWQ, Mark Anderson and District staff over the past year and meets the criteria required by DWQ. As required by DWQ, upon adoption by the District, this document will be distributed to the Cities and County served by the District to adopt these same Rules and Regulations by Ordinance. Mr. Arave asked about an appeals process in this Resolution. This will be discussed with the District's legal counsel and DWQ.

After further discussion motion was made by Mr. Len Arave seconded by Mr. John Davies to adopt the updated Industrial Pretreatment Rules and Regulations through Resolution No. 123-2 as presented subject to review with legal counsel and DWQ regarding an appeals process. Motion carried unanimously with Trustees Burningham, Davies, Preece and Arave voting "aye".

11. SOUTH PLANT NOTICE OF VIOLATION (NOV) / CONSIDER COMPLIANCE OPTIONS:

The District's South Plant is not meeting its current discharge limits for ammonia. The NOV/CO issued by DWQ requires that the District bring the South Plant into compliance as quickly as possible. District staff, with assistance from engineering consultants has developed a number of options for doing this which we have discussed with the Board in previous meetings. We have recently developed two new options which would be significantly quicker to implement. All of these options need to be reviewed and discussed in detail and a formal response made to DWQ by July 10<sup>th</sup>.

A special board meeting (electronic meeting) was scheduled for 10:00 a.m. on Friday, July 3<sup>rd</sup>,

12. SOUTH PLANT ODORS - PROGRESS REPORT:

The South Plant roughing filter has been in service for over 40 years. The top four feet cannot be flooded. It was determined that this upper four feet is badly plugged with trash and sludge and needed to be cleaned for better performance. Efforts to remove sections of the media and clean them with a high pressure cleaner were not successful. We installed a variable frequency drive (VFD) to slow the revolution of the arms. Recycle rates were increased to provide higher flows. We then alternated flooding and flushing for two weeks. This process proved effective at flushing most if not all of the debris from the filter.

District staff designed and fabricated equipment to provide forced ventilation. The blowers will be installed, air will be drawn through the filter and out through the blowers. The blower discharge will be routed through an odor scrubber.

Matt Myers, District Engineer, reported on the preliminary odor data from Jacobs Engineering Group. This report listed sites within the plant and what specific odors were found.

13. GENERAL MANAGER'S REPORT:

A. WASATCH RESOURCE RECOVERY (WRR) - PROGRESS REPORT.


Digester performance is providing 80% reduction in COD. Gas production is slowing increasing. Feed stock volumes are currently steady after recent decreases as a result of Covid-19. The latest testing for gas quality showed the mercury level above the proposed Dominion limit. We have procured and installed activated carbon specifically made to treat mercury. The process for removing hydrogen sulfide is still unreliable. Our current efforts are focused on getting this process to operate stably.

14. NEXT MEETING SCHEDULED:

A special board meeting has been scheduled for Friday, 3 July 2020, 10:00 a.m.  
The next regular meeting has been scheduled for Thursday, 16 July 2020, 5:00 p.m.

15. DISMISSAL:

The meeting ended at 8:25 p.m.

  
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Vice-Chairman, Board of Trustees

  
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Clerk