

SOUTH DAVIS SEWER DISTRICT
BOARD OF TRUSTEES
PUBLIC HEARINGS
3 December 2020

The Board of Trustees of the South Davis Sewer District, Davis and Salt Lake Counties, met in regular session at 6:00 p.m. Due to the COVID-19 pandemic, the meeting was held electronically without an anchor location with the following member participating:

Dee Hansen	Chairman (via videoconference)
Howard Burningham	Vice-Chairman (via videoconference)(exc. 6:30 pm)
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)

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
David Layton	Resident, Woods Cross
Rick Martin	Resident, Centerville
Alan Haacke	Resident, Bountiful
Ron Mortensen	Resident, Bountiful (via videoconference)
Lisa Peterson	Resident, Bountiful (via videoconference)
Jerry Boyd	Resident, Bountiful (via videoconference)
Kathleen Terry	Resident, Bountiful (via videoconference)
Russell McKenzie	Resident, Bountiful (via teleconference)
Brit Brighton	Resident, West Bountiful (via videoconference)
Aleaha Delaney	Resident, Woods Cross (via videoconference)
Brendan Ackermann	Resident, Woods Cross (via videoconference)
David Lehman	Resident, Woods Cross (via videoconference)
Elaine Hansen	Resident, Centerville (via videoconference)

1. OPEN MEETING:

The Chairman called the meeting to order at 6:03 p.m. and read the Electronic Board Meeting Determination statement.

2. OPEN PUBLIC HEARING TO RECEIVE PUBLIC INPUT WITH RESPECT TO A PROPOSED TAX INCREASE:

Motion was made by Mr. Ryan Westergard seconded by Mr. Mark Preece to open the Public Hearings. Motion carried unanimously with Trustees Hansen, Burningham, Davies, Lewis, Preece, Arave and Westergard voting "aye".

A. PRESENTATION.

The District's Assistant General Manager/Engineer, Matt Myers, made a PowerPoint presentation. Giving a background on recent regulatory issues that require the District to construct new facilities for the removal of the plant nutrients nitrogen and phosphorus. The presentation is available on the District's website.

B. PUBLIC COMMENTS.

Brit Brighton, Resident of West Bountiful

Q. Against all taxes. Continual increases. We have known for six years we would have to make changes. What have we been doing during this time? Timing a concern especially during the current pandemic.

- A. The District is continually looking for ways to cut costs. Review of tax equalization.

Lisa Peterson, Resident of Bountiful

- Q. Is the increase a done deal? When will building stop so increased sewage maintenance is not needed? Why have a public hearing if you are going to raise taxes anyway? Government never takes taxes back.

- A. Comment from Len Arave (Mayor of North Salt Lake): The District is out of compliance. We are subject to fines and penalties. If we don't update our facilities, we will continue to receive the fines and penalties and we will still have to upgrade our facilities. This requires increased user fees and taxes.

Kathleen Terry, Resident of Bountiful

- Q. Regarding the bond interest rates, why the difference between bonds? Can we renegotiate for lower rates? Rates increased in 2018 and now again in 2020. Why?
- A. We are currently looking at renegotiating bond interest rates. The District did not raise sewer service fees for 30 years. We chose not to raise rates until necessary. We try to balance sewer service fees and taxes as equitable as possible.

Russell McKenzie, Resident of Bountiful

Comment: He feels he is a victim of bait & switch. He is on a fixed income. Annual increases on many services. The larger problem is that when the bonds are paid and if the District's tax line goes down, some other Bountiful bureau or politician will decide that they can increase a different line, and then pass the buck and then the District will be stuck facing the annoyed/angered taxpayer. His home did not increase in value, but the Sewer District tax increase was 52% on the same valuation. Seldom does the total tax decrease.

- Q. Are we charging the appropriate impact fees? His quality of life is diminished because of increased fees. Is there any type of relief program?
- A. The District is required to update its impact fee schedule every five years. We will be reviewing and updating probably next year. We can look into some type of relief program. Historically, the District has tried to keep equity among customers utilizing 50% sewer fees and 50% taxes.

Aleaha Delaney, Resident of Woods Cross

- Q. Why don't we collect money for future needs? She doesn't like paying interest. This tax increase is a stiff jump. When is next jump?
- A. The District did not raise rates for 30 years. Aside from a small reserve, the funds are better off in the taxpayers account rather than the District's until needed, at which time fees are increased and bonding takes place.

Brendan Ackermann, Resident of Woods Cross

- Q. Requested a breakdown of costs for the 45% increase.
- A. Explanation given.
- Q. When loans are paid off will the tax decrease?
- A. Not sure. If we have the opportunity, we would certainly like to reduce taxes.
- Q. The slides regarding the national averages should probably be removed from the presentation. Being less than the national average is not justification for the increase. Are there any resources or links to where the data in the presentation was obtained?
- A. Thank you for the comment. We can provide you with the requested resources.

Comment from Randy Lewis (Mayor of Bountiful): A reminder to everyone. These increase are being made due to EPA and state requirements. These changes cost money. These agencies dictate our costs.

David Lehman, Resident of Woods Cross

- Q. The percent increase is troubling. As requirements become more stringent are grants available.
- A. No. Funding has dried up for many projects.
- Q. What is the loan timeline?
- A. 20 years.
- Q. Benchmarking is misleading. Regarding nutrient removal, what are the sources? Can we prevent the sources from entering the wastewater system?
- A. We test our industries routinely. The treatment plants along the Wasatch Front have created the Wasatch Front Water Quality Council over ten years ago. We hired a PhD scientist (and college students) who perform research from Utah Lake to the Great Salt Lake reviewing these issues.

Elaine Hansen, Resident of Centerville

- Q. After the tax is enforced, is there a future bond that is expected to incur?
- A. Yes. We have done some bonding, but that covers only costs to date. Additional bonding will be necessary.
- Q. Remind us when the loans will be paid off.
- A. 20+ years.

Rick Martin, Resident of Centerville

- Q. How are taxes calculated on a home?
- A. The formula was reviewed and discussed.

Alan Haacke, Resident of Bountiful

- Q. How many accounts does the District serve?
- A. Approximately 24,000 residential, 3,000 commercial.
- Q. With the millions and millions coming to the District, shouldn't the District be able to live on less?
- A. The District has a total annual budget of approximately \$10 million. Nutrient removal and technology is expensive. The plants and collection system must be maintained at all times and equipment repaired/replaced as well. Wastewater treatment is an expensive process.

David Layton, Resident of Woods Cross

- Q. Where does the plant effluent go?
- A. South Plant discharges to the Jordan River, North Plant discharges to the State Canal.
- Q. Are the phosphorus limits the same for both plants?
- A. The limits are state-wide.
- Q. Can the District appeal to the State to ease restrictions due to the pandemic?
- A. At the start of the pandemic the District received a letter from the State that no slack would be given because of Covid-19.
- Q. Can agencies share funds if they have excess?
- A. No. Each entity has its own budget and costs.

There being no further questions, the Chairman thanked all those participated for the comments and concerns.

3. PUBLIC HEARING TO RECEIVE PUBLIC INPUT WITH RESPECT TO THE 2021 TENTATIVE BUDGET:

A. PRESENTATION.

Mr. Wayment presented the final draft for the 2021 Budget. Line item summaries of projected revenues and expenditures were reviewed. Only minor changes have been made since the tentative budget was approved in October.

B. PUBLIC COMMENTS.

Ron Mortensen, Resident of Bountiful City.

Comment: Mr. Mortensen thanked management and the Board for taking the time to thoroughly answer all questions during the Public Hearing.

4. CLOSE PUBLIC HEARINGS:

Motion was made by Mr. John Davies seconded by Mr. Ryan Westergard to close the Public Hearings. Motion carried unanimously with Trustees Hansen, Davies, Lewis, Preece, Arave and Westergard voting "aye".

5. CONSIDER RESOLUTION NO. 107-21 - ADOPTING 2021 BUDGET:

Motion was made by Mr. Len Arave seconded by Mr. Mar Preece to adopt the 2021 Budget as presented through Resolution No. 107-21. Motion carried unanimously with Trustees Hansen, Davies, Lewis, Preece, Arave and Westergard voting "aye".

6. CONSIDER RESOLUTION ADOPTING FINAL TAX RATES AND BUDGETS FOR 2021 - REPORT 800C:

Motion was made by Mr. Randy Lewis seconded by Mr. John Davies to approve the Resolution Adopting Final Tax Rates and Budgets for 2021-Report 800C as presented. Motion carried unanimously with Trustees Hansen, Davies, Lewis, Preece, Arave and Westergard voting "aye".

7. NEXT MEETING SCHEDULED:

The next meeting has been scheduled for Thursday, 21 January 2021, 5:00 p.m.

8. ADJOURN:

The Chairman declared the meeting adjourned at 8:33 p.m.



Clerk


Chairman, Board of Trustees