

SOUTH DAVIS SEWER DISTRICT  
BOARD OF TRUSTEES  
REGULAR MEETING  
21 April 2016

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	Vice-Chairman
John Davies	Trustee
Howard Burningham	Trustee
Mark Preece	Trustee
Len Arave	Trustee
Ryan Westergard	Trustee

Excused:

Arnell Heaps	Chairman
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Others meeting with the Board:

Dal Wayment	General Manager/Treasurer
Susanne Monsen	Administrative Asst/Asst Clerk
Matt Myers	Engineer
Scott Rogers	Aqua Engineering/ALPRO

1. 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 17 March 2016. After consideration motion was made by Mr. John Davies seconded by Mr. Howard Burningham to accept the Minutes as presented. Motion carried with Trustees Hansen, Davies, Burningham, Preece, Arave and Westergard voting "aye".

2. APPOINT SUSANNE MONSEN AS ASSISTANT CLERK OF THE DISTRICT:

State Statue and the District's Bylaws allow for the appointment of an Assistant Clerk and from time to time it would be useful to have a backup for the District Clerk.

Motion was made by Mr. Len Arave seconded by Mr. John Davies to appoint Susanne Monsen as Assistant Clerk of the District. Motion carried with Trustees Hansen, Davies, Burningham, Preece, Arave and Westergard voting "aye".

3. BUDGET REPORT:

The Budget Report dated 4/14/16 was presented for review. The Collection System has received 41% in revenues and is 32% expended; Treatment Plants have received 21% in revenues and are 32% expended; Industrial Pretreatment has received 11% in revenues and is 29% expended; Capital Expansion has received 5% in revenues and is 14% expended; Water Quality Group (JR/FB) has received 92% in revenues and is 20% expended; OU2 Remediation has received 0% in revenues and is 16% expended; and Water Quality Group (Utah Lake) has received 40% in revenues and is 16% expended. The budget ratio to calendar months is 29%.

4. APPROVAL OF DISBURSEMENTS:

Trustees requested review on Zions Bank check number 23736. After consideration and some review motion was made by Mr. Howard Burningham seconded by Mr. Mark Preece to accept the Disbursements as presented. Motion carried with Trustees Hansen, Davies, Burningham, Preece, Arave and Westergard voting "aye".

5. APPROVAL OF SEWER LINE CONSTRUCTION AGREEMENTS:

A. JENNA RAE SUBDIVISION - PROJECT NO. 5-16.

Mr. Wayment recommended the Agreement for Jenna Rae Subdivision, located at approximately 100 West 3100 South in Bountiful, known as Project No. 5-16, be accepted.

B. FOXBORO MARKETPLACE SUBDIVISION - PROJECT NO. 6-16.

Mr. Wayment recommended the Agreement for Foxboro Marketplace Subdivision, located at approximately 700 North Redwood Road in North Salt Lake, known as Project No. 6-16, be accepted.

Motion was made by Mr. John Davies seconded by Mr. Howard Burningham to authorize the Vice-Chairman to sign the Agreements for Jenna Rae Subdivision and Foxboro Marketplace Subdivision. Motion carried with Trustees Hansen, Davies, Burningham, Preece, Arave and Westergard voting "aye".

6. RESOLUTIONS:

A. CONSIDER A RESOLUTION EXPRESSING THE DISTRICT'S INTENT TO REIMBURSE ITSELF FROM BOND PROCEEDS FOR CERTAIN EXPENDITURES RELATING TO A RESOURCE RECOVERY FACILITY AND RELATED FACILITIES.

When financing a public works project with tax-exempt bonds, amounts paid for non-preliminary expenditures (i.e. physical work or materials) can only be reimbursed with bond proceeds if they were paid 60 days prior to the date the issuer of such bonds declares its official intent to reimburse such expenditure. This Resolution declares the District's official intent to reimburse itself for such expenditure relating to the resource recovery facility and related facilities. This Resolution does not create any obligation for the District to undertake such work.

Motion was made by Mr. John Davies seconded by Mr. Howard Burningham to adopt Resolution No. 156 Expressing the District's Intent to Reimburse Itself from Bond Proceeds for Certain Expenditures Relating to the Resource Recovery Facility and Related Facilities as presented. Motion carried with Trustees Hansen, Davies, Burningham, Preece, Arave and Westergard voting "aye".

B. CONSIDER A RESOLUTION EXPRESSING THE DISTRICT'S INTENT TO ISSUE CERTAIN REVENUE BONDS, IN AN AMOUNT NOT TO EXCEED \$60,000,000, ON BEHALF OF ALPRO ENERGY & WATER, LLC, TO FINANCE A PORTION OF A RESOURCE RECOVERY FACILITY AND RELATED FACILITIES.

To finance the construction of the resource recovery facility and related facilities, the District may issue tax-exempt bonds on behalf of ALPRO Energy & Water, LLC. One of the requirements for issuing the tax-exempt bonds is that a public hearing be held. This Resolutions calls for a public hearing on May 19, 2016, and declares the official intent to reimburse expenditures from proceeds of the bonds. This Resolution does not commit the District to undertake a project or to issue bonds; it merely opens the door should the District choose to do so in the future.

Motion was made by Mr. Howard Burningham seconded by Mr. Mark Preece to adopt Resolution No. 157 Expressing the District's Intent to Issue Certain Revenue Bonds, in an Amount Not To Exceed \$60,000,000, on behalf of ALPRO Energy & Water, LLC, to Finance a Port of the Resource Recovery Facility and Related Facilities as presented. Motion carried with Trustees Hansen, Davies, Burningham, Preece, Arave and Westergard voting "aye".

7. RESOURCE RECOVERY PROJECT - STATUS REPORT:

A business plan and cost estimates for the District's Resource Recovery Project are substantially complete. Significant preliminary work on bond financing for the project has been accomplished. Legislation to allow the District to utilize solid waste and to participate in a joint venture to execute the project passed and has been signed by the Governor. We have identified nearly 100% of the organic waste feed stock needed to support the project. We have identified two companies, Gershman, Brickner and Bratton, Inc. (GBB) and E3 Consulting, which specialize in third party reviews of public works projects that are seeking bond financing. GBB particularly has experience with food waste to energy projects.

The Resource Recovery Committee (Dee Hansen, Len Arave and Ryan Westergard) and others will meet at 9:00 a.m. on Wednesday, April 27<sup>th</sup>, at the office of Aqua Engineering in Bountiful, to review and evaluate the draft business plan, cost estimates and project balance sheet.

8. DISCUSS LEASING OR SELLING A PORTION OF DISTRICT PROPERTY LOCATED ON 1200 NORTH EAST OF LEGACY PARKWAY:

The District owns an 11 acre (approximate) parcel on the north side of 1200 North adjacent to the Legacy Parkway in West Bountiful. West Bountiful is seeking a location for a new public works facility. West Bountiful has requested that the District consider leasing or selling a portion of the District's property for this project. The District purchased the property during the condemnation process for the Legacy Parkway along with additional property on the west side of the Legacy Parkway. The intent of the purchase was to assure that the District would have sufficient property for any additional plant expansion or upgrade needs.

As things have evolved the current plant site west of Legacy Parkway with these additions should be adequate for plant needs, except for the possibility of wastewater reuse. When the time comes to treat wastewater to a level suitable for reuse on golf courses, parks, etc. we will need equalization storage to support that use. A review of storage requirements shows that an equalizing basin would not necessarily need the entire parcel. After discussing the matter the Board indicated their willingness to discuss the matter. Mark Preece will follow up with West Bountiful.

9. AUTHORIZE PURCHASE OF FLOWMETER FOR THE STATE CANAL:

This item will be held until the next meeting.

10. UPDES PERMIT ISSUES - LISTING OF THE GREAT SALT LAKE AS IMPAIRED:

The Division of Water Quality has announced they intend to list Utah Lake and Great Salt Lake as impaired. This listing will trigger studies of these water bodies, which potentially could have significant impacts on the District's discharge permit requirements. We will follow this process closely.

11. DISCUSS AND APPROVE AV PROJECTOR & SCREEN FOR TRAINING ROOM:

Epson produces a computer LED projector that mounts on the ceiling against the wall and projects onto an interactive screen which can be used as a screen or whiteboard. The District's current projector is rather old and inconvenient. We have a quote which would allow us, as a new customer, to purchase a unit for half-price.


Motion was made by Mr. John Davies seconded by Mr. Howard Burningham to approve the purchase of an AV Projector and Screen based on the best cost between the distributor and State Purchasing. Motion carried with Trustees Hansen, Davies, Burningham, Preece, Arave and Westergard voting "aye".

12. NEXT MEETING SCHEDULED:

The next meeting has been scheduled for Thursday, 19 May 2016, 5:00 p.m.

13. DISMISSAL:

The meeting ended at 7:35 p.m.

  
Vice-Chairman, Board of Trustees

  
Assistant Clerk