

NORTH DAVIS SEWER DISTRICT
Minutes of Board Meeting held November 10, 2022

Minutes of the regularly scheduled Board Meeting held at the District offices located at 4252 West 2200 South, Syracuse, UT 84075 on Thursday, November 10, 2022 at 7:00 p.m.

MEMBERS PRESENT: Joy Petro, Board Chair; Joe Paul, Vice Chairman; Kent Bush, Treasurer; Anna Stanton; Dave Maughan; Howard Madsen; Brian Vincent; David Hatch, District Manager; Angela Lupcho, Clerk. Stan Hamblin was excused.

ALSO PRESENT WERE: Myron Bachman, Plant Superintendent; Steve Lamb, Collection System Superintendent; Jason Stansfield, Network Administrator; Jonas Reeder, Pretreatment Coordinator; Tyler Weaver, Laboratory Director; Marianka Sochanska, Brown & Caldwell Engineering; Mitch Dabling, Jacobs Engineering; Matt Millis, CapEx Planning. Latchmie Edwards, Taylor Byrum, Kendall Linton, Hayden Clements, Kylee Nelson, Marc Godfrey, and Mark Leonard attended electronically via Zoom.

DECLARATION OF CONFLICTS OF INTEREST

- Board Chair Petro asked whether any board members had any potential conflicts of interest on any of the agenda items. None were mentioned.

MINUTES OF THE MEETING HELD OCTOBER 19, 2022

- Minutes of the meeting held October 19, 2022 were approved on motion by Mayor Maughan and seconded by Mr. Paul. All were in favor.

SERVICE AWARD – SCOTT VINEYARD

- Scott Vineyard was unable to attend but was recognized for 25 years of service and was awarded a certificate, pin, and check.

NEW EMPLOYEE INTRODUCTION – LATCHMIE EDWARDS

- Latchmie Edwards was introduced as the new lab technician and was welcomed by the Board.

PUBLIC HEARING – IMPACT FEE ANALYSIS AND IMPACT FEE FACILITIES PLAN ADOPTION

Mr. Matt Millis –

- Moved by Mr. Paul to go into Public Hearing and seconded by Mayor Maughan. All were in favor.
- A brief review of the Impact Fee Analysis process was given and the updated impact fees were presented.

The proposed impact fees are:

Single-family: \$3,454
Townhome: \$3,096
Multi-unit: \$2,641
TOD-type: \$2,100
Non-residential: \$651

Mr. Bush asked for clarification on the math calculations on the different zoning categories for the residential impact fees since he was unable to reach the same fees as the table in the impact fee analysis document using the water demand per unit and Equivalent Residential Units. Mr. Millis explained that the analysis leading to the calculation on the table has four or more decimals in it causing the variation. Mayor Maughan asked whether there is a requirement in the statute regarding how many decimals should be used in the calculation and Mr. Millis said he didn't believe so. After some discussion, the board requested that the table in the analysis should be



rounded to make the calculation easier for readers to follow. This would reduce the impact fees. Mr. Millis agreed to update the document and bring it back for approval in December. He didn't think there was a need to do further public noticing since the impact fee would be reduced.

CONSIDERATION OF APPROVAL OF RESOLUTION NO. 2022-11

- Moved by Mayor Maughan to table the consideration of approval of Resolution No. 2022-11 until the Impact Fee Analysis document was updated with the requested changes from the Public Hearing. Seconded by Mr. Paul and all were in favor.

ENGINEERING AND CONSTRUCTION UPDATES – BROWN AND CALDWELL

Ms. Marianka Sochanska -

- **Hill Field Road Design:**
This project includes work from the Master Plan and will include the replacement and upsizing of the existing sewer line to 18- and 21- inch sewer mains and adjusting the flow splits to send all the flow south. The existing pipe is in poor condition and needs to be replaced as well as needing increased capacity for growth. A mandatory pre-bid meeting was held on November 9th and the bid opening is scheduled for November 30th.
- **Mutton Hollow Replacement:**
This project includes work on the downstream portion of the “East Outfall Phase 4” project as detailed in the Master Plan. Kaysville City is planning to reconstruct Mutton Hollow Road from Main Street to Fairfield in 2022 so this portion of the project will upsize the sewer ahead of the Kaysville City work. The 21- and 24- inch sanitary sewer will be replaced with 30-inch line. Progress of this project was 1/3 through the last phase and are a couple hundred feet from the start point.
- **CIPP 9 – Lining Project 9 Construction – 4000 West & 4500 West:**
This project includes lining up to 6,215 feet of 36-inch to 60-inch diameter piping along 4000 West and 4500 West using the UV cured CIPP method as well as manhole rehabilitations for all manholes in the project. There will be two sections. Substantial completion was attained on October 28th. Punchlist items are being worked on. This project will be closed on the scheduled date.
- **CIPP 10 – Lining Project 10 Construction – 4000 West & Roy:**
This project includes lining high priority segments of the collection system with UVCIPP Liner and were identified as part of the Master Plan and recent CCTV conducted as part of the ongoing asset management plan. Section 1 on 4000 West has four sections of lining remaining. Substantial completion is projected for December 14th and contractors plan on meeting that deadline.
- **Manhole Rehabilitation Project 1 – Gordon Avenue:**
This project includes rehabilitation of 15 manholes in Gordon Avenue. Manhole inserts were reported to still in production and have not been received.

ENGINEERING AND CONSTRUCTION UPDATE, PLANT DISCHARGE RELOCATION - JACOBS

Mr. Mitch Dabling-

- **Pipeline Project:**
27,173 ft of the pipeline was complete or 83% of the project. A paper prepared by Jacobs was accepted to be presented at the ASCE Pipelines Conference in July and it will be published. The Utah Construction & Design Water/Wastewater Project of the Year will be awarded for the pipeline project to Whitaker Construction. There will be an award breakfast in December at the Little America hotel. It was decided to wait to cross the road until 2023 when there will be a road diversion. A temporary patch will be done until next summer.



- **Pump Station Project:**

A pump station excavation dewatering system was in place and had been running since November 2nd. Jacobs and Whitaker were reported to be coordinating on long lead times to ensure timely delivery.

Mr. Jeff Den Bleyker -

- **DWQ Update:**

Aerial photos of the Great Salt Lake were presented showing two years worth of receding lake water beginning with the design phase in November 2020 until current. In planning, engineers contemplated the lake level going down. If the lake receded to 4190.0 water surface elevation, it was agreed to meet with the state to discuss solutions. As of November 3rd, the elevation was 4188.5. The idea of discharging in the current area was that the water was salty enough to prevent algal blooms eliminating the Phosphorus removal limits requirement. Discussions will continue with Department of Water Quality. Currently, the planned outfall point is 4300 feet away from the current proposed ditch location. The water will maintain the ditch once it is flowing if the outfall is close enough. Whitaker has ideas for floating the equipment on the soft mud so the channel can be piloted. Mr. Hatch, Mr. Bachman, and Mr. Den Bleyker met with DWQ on November 9th. DWQ wants to work with NDS to find a long-term solution. It is advised to budget for extending the ditch at this time. Another meeting with DWQ is scheduled for December 5th to identify their desired course of action. Any modification to the existing design will require an update to the permit with the Army Corps of Engineers for accessing the Great Salt Lake bed. Board Chair Petro asked if there was state funding available and recommended that the District pursue that option if available and Mr. Den Bleyker replied that he agreed that the District should make the request.

APPROVAL OF RECOMMENDATION OF SELECTION OF ENGINEERING CONSULTANTS FOR ROUTINE COLLECTION PROJECTS

Mr. David Hatch –

- The selection committee for the engineering consultants for routine collections projects was made up of Mr. Bush, Mr. Paul, Mayor Maughan, Mr. Higgins, and Mr. Lamb. Submittals were ranked using weighted average. Mr. Paul asked whether we could award with no monetary basis to the contract. Mr. Hatch stated that this approval would allow negotiations to begin with the selected engineering firm. Mayor Maughan asked whether this discussion could fall under a closed meeting. Mr. Paul stated that he did not believe it could. Mr. Hatch stated that the scores will be protected by GRAMA and the selection process was not recorded by statute. The submittals were independently scored before any discussion and followed the same strict process as the District Manager selection. Mr. Paul stated that the engineering firms were well represented and presented. Board Chair Petro believed that the board should trust the selection committee's decision based on the fair process they followed and information they received. Mr. Hatch reported that the selection committee recommended proceeding with negotiations with Jacobs Engineering as the selected engineering firm.
- Moved by Mayor Madsen and seconded by Mayor Vincent to recommend proceeding with the negotiations with Jacobs Engineering for engineering work on routine collections projects. All were in favor.

DISCUSSION OF BOARD COMPENSATION

Mr. David Hatch –

- Mr. Hatch thanked the Board for all the time that is spent on behalf of the District. At the UASD conference, Board compensation was discussed in a session and by statute allows for each board member to be compensated up to \$5,000 annually. It was discussed that this could be net pay



where the District currently pays that amount in gross pay. The Board did not have an appetite to make any changes to Board compensation.

Mr. Bush made a motion to recess at 7:15 p.m. Board Chair Petro granted the recess to reconvene at 7:30 p.m.

PRESENTATION OF CITY AUDITS

Ms. Angela Lupcho–

- The city connections audits have been completed and the findings were reported to the Board. Clearfield City findings totaled \$214,145, Clinton City findings totaled \$69,375, West Point City findings totaled \$6,856, and Kaysville City findings totaled \$25,822. The other cities did not have any findings though Layton City is still working on providing some backup documentation to Ms. Lupcho.

PRESENTATION OF FRAUD RISK ASSESSMENT 2022

Ms. Angela Lupcho –

- The Fraud Risk Assessment for 2022 has been completed and a copy of the assessment was presented. The total points earned for the assessment were 355 which puts the District in the low risk category. Using the assessment as a guide for improvement, in 2022 the District added written policies for Reporting fraud and abuse, credit cards, cash receipting and deposits and a Fraud hotline policy to reduce the risk from the moderate category assessed in 2021. The District will be at the very low fraud risk category when Ms. Lupcho obtains her additional accounting certifications that are currently in progress.

PRESENTATION AND APPROVAL OF THIRD QUARTER 2022 FINANCIAL REPORT

Ms. Angela Lupcho –

- All balances reported are as of September 30, 2022. Cash and Cash Equivalents were \$3,900,258 Restricted Cash and Cash Equivalents were \$19,738,604. \$15 million was transferred from Restricted Cash to Restricted Investments until February to earn extra interest on Treasury bonds instead of the PTIF. PTIF interest rate was reported at 2.82%. All bond payments have been made in a timely manner. Total Operating Revenue from Charges for Services totaled \$16,840,558 or 78% of the 2022 budgeted amount. Property taxes collected totaled \$1,217,877 or 13% of the budgeted amount. Property taxes will be collected in the majority toward the end of the year and early 2023 as the county collects the real property tax assessments. Interest earned totaled \$782,616 or 157% of the budgeted amount. Total Impact fees collected are \$6,019,056. Total expenses are at 78% of the budgeted amount. The following accounts were trending high due to inflation: Polymer, Chlorine, Chemical treatment, and Generator Expense. Equipment purchases total \$1,626,240 and Plant & Collection System Additions total \$34,629,617, and bond principal payments made totaled \$10,085,000.
- Moved by Mr. Bush to approve the Third Quarter Financial Report for 2022. He was seconded by Mr. Paul and roll call vote was taken: Joy Petro – yes; Joe Paul – yes; Kent Bush – yes; Anna Stanton – yes; Dave Maughan – yes; Howard Madsen – yes; Brian Vincent – yes. Voting was unanimous.

PRESENTATION AND APPROVAL OF PRELIMINARY 2022 BUDGET

Ms. Angela Lupcho –

- The details of the 2023 budgeted expenses were reviewed during a work meeting held prior to the Board Meeting. Total revenues budgeted for 2023 are \$38,975,565 and total expenses were



\$21,959,844. Equipment purchased budgeted was \$2,613,300 and total capital expenditures for 2023 were \$48,387,450.

- Moved by Mayor Maughan to approve the Preliminary 2023 budget. He was seconded by Mr. Bush and roll call vote was taken: Joy Petro – yes; Joe Paul – yes; Kent Bush – yes; Anna Stanton – yes; Dave Maughan – yes; Howard Madsen – yes; Brian Vincent - yes. Voting was unanimous.

SET PUBLIC HEARING DATE FOR AMENDING 2022 BUDGET AND ADOPTING 2023 FINAL BUDGET FOR DECEMBER 8, 2022 AT 6:00 P.M.

- Moved by Mr. Bush to set the Public Hearing date for amending the 2022 budget and adopting the 2023 final budget for December 8, 2022 at 6:00 p.m. Seconded by Ms. Stanton and all were in favor.

MANAGER'S REVIEW

- Mr. Hatch asked for a head count for the awards breakfast to be held on December 13, 2022 at 8:00 a.m. at the Little America Hotel. The award being given to Whitaker Construction as previously reported in the engineering reports will be the Utah Construction & Design Water/Wastewater Project of the Year. Four board members expressed that they would like to attend.
- The District Christmas party will be held this year at the Davis Conference Center on December 9th. Invitations will be sent out soon.
- North Davis University was recently held again at the District with strong attendance of over 30 people. Mr. Robert Whitley from Syracuse City presented their recently updated fat, oil and grease practices.

CHAIRMAN'S REVIEW

- Board Chair Petro asked how Board members how the WEFTEC conference held last month went. Mayor Maughan commented that the conference appeared to be back to full strength and the walking around the vendor hall with Mr. Lamb and Mr. Bachman was very helpful. Mr. Bush commented that the vendor explanation was helpful. The Utah All Star Operators Challenge team which had an operator from North Davis participate placed 14th overall. Ms. Stanton commented that attending the conference helped build relationships with District staff.
- Ms. Stanton complimented the District on the school tour that she was on of the Plant and mentioned her appreciation for Mr. Hatch, Mr. Bachman, and Mr. Lamar and their knowledge and professionalism.

CLOSED MEETING – DISCUSS THE CHARACTER, PROFESSIONAL COMPETENCE, OR PHYSICAL OR MENTAL HEALTH OF AN INDIVIDUAL

- Moved by Mayor Maughan to go into closed meeting at 8:07 p.m. and seconded by Ms. Stanton. All were in favor.
- Moved by Mr. Paul to go out of closed meeting at 10:04 p.m. and seconded by Ms. Stanton. All were in favor.

ADJOURNED

Moved by Mayor Maughan and seconded by Ms. Stanton to adjourn at 10:05 p.m. All were in favor.

Approved Angela Spach
Clerk of Board Date



