

NORTH DAVIS SEWER DISTRICT
Minutes of Board Meeting held February 8, 2024

Minutes of the regularly scheduled Board Meeting held at the District offices located at 4252 West 2200 South, Syracuse, UT 84075 on Thursday, February 8, 2024 began at 6:00 p.m.

MEMBERS PRESENT: Joy Petro, Board Chair; Joe Paul, Vice Chair; Howard Madsen, Treasurer; Dave Maughan; Brian Vincent; Lance Hamblin; Karece Thompson; Dane Searle; David Hatch, District Manager; Angela Lupcho, Clerk.

ALSO PRESENT WERE: Myron Bachman, Plant Superintendent; Jonas Reeder, Pretreatment Coordinator; Jason Stansfield, Network Administrator; Tyler Weaver, Lab Director; Darren Lowe, Jacobs Engineering; Casey Helget, C&L Water Solutions. District employees Tyler Murri, Brian Lamar, Tyler Barfuss, Kerry Lee, and Taylor Byrum attended remotely via Zoom.

ADMINISTER OATH OF OFFICE TO REAPPOINTED BOARD MEMBERS

- The Oath of Office was given by Ms. Lupcho, the clerk, to Dave Maughan with Syracuse City and Brian Vincent with West Point City.

REORGANIZATION OF THE DISTRICT'S BOARD OF TRUSTEES' OFFICIALS

- Per District Ordinances, the Board leadership is reorganized every even year. Reorganization was done by secret ballot and was counted and recorded by the clerk.
- Moved by Mayor Maughan and seconded by Mr. Hamblin to nominate Joy Petro to continue as Board Chair. Board Chair Petro appreciated the nomination but declined. Mayor Maughan volunteered to fill the Board Chair position and was seconded by Mr. Hamblin. Moved by Mayor Madsen and seconded by Mayor Vincent to nominate Joe Paul as Board Chair. Moved by Mr. Paul to close nominations and was seconded by Mayor Maughan. Mr. Thompson recommended having one candidate fill the Board Chair position and the other fill the Vice Chair position. Board Chair Petro clarified that a vote should be taken. Secret ballot was taken, and the count was four votes for Mayor Maughan and four votes for Mr. Paul. Board Chair Petro called for a re-vote and gave each nominee 30 seconds to speak. Mayor Maughan stated that he is the longest serving member on the Board and had never missed a meeting. He expressed the importance of all matters coming before the body, especially finances and the importance of attendance. Mr. Paul stated that he had served as Vice Chair for two years, assisted in hiring the District Manager, had taken an effort to get to know employees and contractors, and agreed with Mayor Maughan about transparency and wished to continue the progression into Board Chair. The second secret ballot count was taken, and the count was four votes for Mayor Maughan and four votes for Mr. Paul. Board Chair Petro gave board members the option of either a coin flip or drawing a name from a hat as a tie breaker. The consensus chose hat draw with Mr. Hatch choosing the name. Mr. Hatch chose Mr. Paul's name from the hat. Joe Paul is elected the new Chairman.
- Moved by Mr. Searle and seconded by Mr. Hamblin to nominate Mayor Maughan as Vice Chair. Moved by Mr. Paul and seconded by Mr. Thompson to nominate Mayor Madsen as Vice Chair. Secret ballot was taken, and the count was six votes for Mayor Maughan and two votes for Mayor Madsen. Mayor Maughan is elected the new Vice Chairman.
- Moved by Mr. Hamblin and seconded by Mr. Paul to nominate Mayor Madsen as Treasurer. Moved by Mayor Maughan and seconded by Mr. Searle to nominate Mayor Vincent as Treasurer. Secret ballot was taken, and the count was three votes for Mayor Madsen and five votes for Mayor Vincent. Brian Vincent was elected as new Treasurer.
- Moved by Mayor Maughan and seconded by Mr. Hamblin to re-appoint Angela Lupcho as Clerk. All were in favor.



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. No conflicts were disclosed.

MINUTES OF THE MEETING HELD JANUARY 11, 2024

- Minutes of the meeting held January 11, 2024 were approved on motion by Mayor Maughan and seconded by Mayor Madsen. All were in favor.

PUBLIC COMMENTS

- No public comment was made.

ENGINEERING AND CONSTRUCTION UPDATE, PLANT DISCHARGE RELOCATION - JACOBS ENGINEERING

Mr. Darren Lowe, Jacobs Engineering –

- **Pipeline Project:**
A history of the pipeline/pump station project was given by Mr. Lowe with additional explanation from Mayor Maughan. Due to warmer than usual temperatures, the contractor has moved forward with rebar and forming work on the energy dissipation and weir wall structures inside the outfall structure.
- **Pump Station Project:**
Insulation/veneer placement is at approximately 60% completion. Roof joists installed. Metal roof decking installation is ongoing. Construction is on schedule. Completion is set for August, but Whitaker Construction anticipates it may occur early in July.
- **Hill Field Road Project:**
Six manholes have been installed to date and approximately 1500 feet of pipe has been placed. The contractor has been working on connecting laterals this week. The manholes are made of polymer concrete.

CMGC LINING UPDATE

Mr. Casey Helget, C&L Water Solutions –

- **Work Order 3:** The lining segments have been installed. There was an issue with a hole in the inner foil on the 60-inch liner, but they were able to install a new inner foil and liner. Final CCTV work has been completed.
- **Manhole Rehabilitation:** This project will be finished up this week and bypass cleanup starting next week. Project is on schedule and there is some seasonal restoration left.

AWARD CONTRACT FOR HEADWORKS HVAC REPLACEMENT

Mr. Myron Bachman -

- Some of the Plant buildings are classified as Class 1, Division 2 adding an air change requirement due to gases and the raw sewage. The bid for the contract is the Headworks building as one of these buildings. The Headworks building was built in the early 80s and the HVAC was replaced in 2002 or 2003. Original estimates for the project were close to \$190,000. Three companies were anticipated to bid. CCI Mechanical was considered unresponsive since the HVAC system in their bid did not meet specifications. Automated Mechanical was expected to bid but sent it an hour after the deadline. United Team Mechanical was the apparent low bidder with \$188,236 and it is recommended to approve. There is a 5 month wait for fabrication and shipping. It is suggested the contract is awarded as not to exceed cost of time and materials.
- Moved by Mayor Maughan to award the contract to United Team Mechanical not to exceed \$188,236 and was seconded by Mr. Paul. Roll call was taken: Joy Petro – yes; Joe Paul – yes;



Howard Madsen – yes; Dave Maughan – yes; Brian Vincent – yes; Lance Hamblin – yes; Karece Thompson – yes; Dane Searle – yes. Voting was unanimous.

AWARD CONTRACT FOR DISTRICT GARBAGE REMOVAL SERVICES

Mr. Myron Bachman -

- A brief history of the garbage contracts was reviewed. This is a proposed 3-year contract, and the District prefers to use our contract instead of the vendor contract. Robinson Waste Services did not bid, Republic Services bid \$2,151.55 and our current contract holder, Waste Management of Utah, bid \$1,430.00. The apparent low bidder was Waste Management of Utah.
- It was moved by Mayor Maughan to award the contract to Waste Management of Utah using our contract for \$1,430 per month and was seconded by Mr. Thompson. Roll call vote was taken: Joy Petro – yes; Joe Paul – yes; Howard Madsen – yes; Lance Hamblin – yes; Dave Maughan – yes; Karece Thompson – yes; Brian Vincent – yes; Dane Searle - yes. Voting was unanimous.

PRESENTATION AND APPROVAL OF THE 2023 PRELIMINARY YEAR END FINANCIAL REPORT

Ms. Angela Lupcho –

- Cash & Cash Equivalents as of 12/31/2023 totaled \$2,267,272, Restricted Cash & Cash Equivalents totaled \$23,147,453, and Restricted Investments totaled \$45,889,787. All principal and interest bond payments have been made on time. Budget to Actual Revenues was reviewed with Total Revenues exceeding the budget at 104%. Property Tax Revenues final distribution from the counties will happen in March which will bring the property tax up from 96% received of the budgeted amount. Interest Earned totaled \$2,952,140 and Capital Contributions totaled \$4,083,457. A review of Budget to Actual Expenditures with total expenditures totaling \$28,796,744 including Equipment Purchases and System Additions & Improvements. A graph of Operating Expenses by Department was shown and a Prior Year to Current Year Comparison was also presented for Revenues and Expenses and Personnel Expenses. Capital Expenditures by Project were also presented as of 12/31/2023.

RESOLUTION NO. 2024-02

Mr. David Hatch -

- Resolution No. 2024-02, “A Resolution providing for withdrawal of 0.91 acres of real property from the boundaries of North Davis Sewer District and providing an effective date,” was presented. On the District’s northern border in West Haven, a property to be developed within the District boundaries can more easily discharge into Central Weber’s sewer system and has approached both Districts to be removed from North Davis’s boundaries and annexed into Central Weber’s boundaries.
- Moved by Mayor Maughan to adopt Resolution No. 2024-02 and seconded by Mr. Hamblin. All were in favor.

RESOLUTION NO. 2024-03

Ms. Angela Lupcho –

- Resolution No. 2024-03, “A Resolution adopting a 2024 Cafeteria Plan for employees of the District and providing for an effective date” was presented to adopt current insurance policies offered by the District as pre-tax deductions for employees.
- Moved by Mr. Hamblin to adopt Resolution No. 2024-03 and seconded by Mayor Madsen. All were in favor.



RESOLUTION NO. 2024-04

Mr. David Hatch –

- Resolution No. 2024-04, A Resolution for “Relinquishment of sewer easement and setting an effective date” was presented to relinquish the District’s oldest easement which is for an abandoned line on a property in West Point. Sewer service has been rerouted from the line. There was discussion of the District’s responsibility for the line going forward. The District’s attorney has advised that this relinquishment would relieve the District of responsibility going forward.
- Moved by Mr. Thompson to adopt Resolution No. 2024-04 and was seconded by Mayor Maughan. All were in favor.

RESOLUTION NO. 2024-05

Mr. David Hatch –

- Resolution No. 2024-05, “A Resolution ratifying District Manager Goals for the 2024 calendar year” was presented with a review of the 2023 goals that were completed and the new 2024 District Manager goals for ratification from the Board. A summary of the 2024 goals are as follows:
 - Compliance with regulations: Complete Plant Model Simulations.
 - Financial Management: Integrate CMGC into our processes for optimization.
 - Employee Development and Safety: Update District Health and Safety Manual, and Create Supervisor Leadership Manual.
 - Innovation and Technology Adoption: Submit on Utility of the Future.
 - Emergency Preparedness: Participate with Davis County Emergency Management and identify areas of improvement for resiliency.
 - Strategic Planning: Identify areas of improvement for Biosolids.
 - Stakeholder Engagement: Present a topic about NDSO.
- Moved by Mayor Madsen to adopt Resolution No. 2024-05 and seconded by Mayor Vincent. All were in favor.

MANAGER’S REVIEW

Mr. David Hatch –

- West Davis Corridor update: District is waiting for turnarounds to be completed.
- An RFQ will be completed for audit services for the District. For the selection committee, Mr. Hatch invited the new Treasurer, Mayor Vincent, to be on the committee along with himself and Ms. Lupcho.
- The District’s 2024 bond issuance ratings have been received from the rating agencies: Fitch Ratings rated the District as AAA and S&P rated at AA+ which is maintaining the current ratings and is a testament to the Board policies. The \$18 million dollar bonds are currently being marketed by the underwriters to potential investors. The bond sale will occur on February 13th to close on February 27th.
- WEAU is scheduled for April 24th to 26th. The District is requesting board members decide whether they will be attending in time for the March board meeting. Joe, Joy and Dane committed to attend.

BOARD CHAIR’S REVIEW

- Board Chair Petro expressed her appreciation of the Board Member’s support over the past two years as Board Chair.
- Mayor Maughan requested an item be added for rental properties to review rates on properties are competitive. Maintenance needs to be kept up on properties which has not been happening.



ADJOURNED

Moved by Mr. Paul and seconded by Mr. Thompson to adjourn at 7:34 p.m. All were in favor.

Approved Angela Lycko 3/14/24
Clerk of Board Date

