

NORTH DAVIS SEWER DISTRICT
Minutes of Board Meeting held September 12, 2024

Minutes of the regularly scheduled Board Meeting held at the District offices located at 4252 West 2200 South, Syracuse, UT 84075 on Thursday, September 12, 2024. The board meeting was called to order at 6:03 p.m.

MEMBERS PRESENT: Dave Maughan, Vice Chairman; Brian Vincent, Treasurer; Joy Petro; Lance Hamblin; Dane Searle; Karece Thompson; Scott Wiggill; David Hatch, District Manager; Angela Lupcho, Administrative Services Director. Joy Petro and Dane Searle attended electronically via Zoom. Joe Paul was excused from the meeting.

ALSO PRESENT WERE: Tyler Barfuss, Collections Superintendent; Myron Bachman, Plant Superintendent; Jason Stansfield, Network Administrator; Tyler Weaver, Lab Director; BJ Riggins, C&L Water Solutions; Cody Deeter, Solar Farms; Darren Lowe, Jacobs Engineering; Troy Green, Froerer Real Estate; Aivale Lui, NDSO; Attending via Zoom: Tyler Murri, NDSO; Brian Lamar, NDSO; Dennis Byington, NDSO.

DECLARATION OF CONFLICTS OF INTEREST

- Vice Chairman Maughan asked whether any board members had any potential conflicts of interest on any of the agenda items. None were disclosed.

Mr. Hatch introduced the new Administrative Assistant and future board clerk, Aivale Lui, to the Board Members.

APPROVAL OF MINUTES OF THE MEETING HELD AUGUST 8, 2024

- Minutes of the meeting held August 8, 2024 were approved on motion by Mayor Petro and seconded by Mayor Vincent. All were in favor.

PUBLIC COMMENTS

- Vice Chairman Maughan asked whether any member of the public would like to make comment. No public comment was made.

CMGC UPDATE

Mr. BJ Riggins, C&L Water Solutions Azuria-

- Completed work order #1 property testing CIVP. 6 manholes left on WO #1 and the 3 additional manholes will take a little longer to complete. WO #2 CIPP is complete. Manhole rehab will take place last week this month. Property owners have been great to work with.

ENGINEERING AND CONSTRUCTION UPDATE

Mr. Darren Lowe, Jacobs Engineering-

- **Pipeline/Pumpstation-**
The open house for the pump station was great. Minor adjustments on programming but the project is essentially complete. Landscaping is on the punch list. The District is waiting on notice to operate but no issues are anticipated. Pumps will operate on high flow approximately 5% of the time so are not operational with the current low flows.
- **Hill Field Road-**
Approximately 4,200 feet of pipe is in place and 16 manholes are installed to date. Night work has begun and there will be two parallel crews to accelerate the process. Work is approximately 75% completed and construction is on schedule.
- **Fairfield Road Sewer Replacement-**



90% of the design submitted. Held 90% review meeting with NDS and Contractor last week. Survey work completed. Geotech work was done last week. Project working towards final design.

- **Biosolids Evaluation Update-**

MHP Pilot study ongoing. Biosolids workshop was held today, converging in on a couple of solutions. A meeting was proposed to include Dave Parry and members of the Board to discuss analyses of study. October 29 was suggested as this is the fifth Tuesday and there are no council meeting scheduled. This an important meeting to discuss results of the Biosolids Master plan and provide direction before budget meeting in November.

CONSIDERATION OF APPROVAL OF THE SECOND QUARTER 2024 FINANCIAL REPORT

Ms. Angela Lupcho-

- Cash balances are \$9,453,310. Restricted investments with Morton Asset Management are \$41,984,519. Restricted cash balances which include PTIF and bond funds are \$28,774,334. Budget to actual revenues is sitting at 41%. Budget to actual expenditure is at 45%. Prior year to current year comparison, there is a variance of about \$1.3 million, that is coming from additional interest and impact fees for the year. Expenses were higher than last year due to some specialized purchases.
- Bond series 2024 spend down is on track current percent spent is 86%.
- Mr. Thompson made a motion to approve the Second Quarter 2024 Financial report and was seconded by Mr. Hamblin. Roll call vote was taken: Joy Petro – yes; Dave Maughan – yes; Brian Vincent – yes; Lance Hamblin – yes; Dane Searle – yes; Karece Thompson- yes; Scott Wiggill – yes. Voting was unanimous.

CONSIDERATION OF APPROVAL OF CELL PHONE TOWER AGREEMENT

Mr. David Hatch-

- The Board was previously open to discussing the addition of a cell tower to the property. Mr. Hatch reached out to neighboring cities for analysis and recommendations. Legal was able to provide market analysis on this project. The proposal is for a 30-year term at \$800.00/month for first provider and each additional cell phone provider would be an additional \$200.00/month. The tower would be placed on the other side of Black Island Farms. Mayor Maughan asked about access and security of the tower, Mayor Petro also mentioned liability. All issues were discussed and addressed.
- Mr. Thompson made a motion to approve the cell phone tower agreement with direction to address the responsibility of fence maintenance and liability coverage questions. Mr. Hamblin seconded the motion and a roll call vote was taken: Joy Petro yes; Dave Maughan yes; Brian Vincent – yes; Lance Hamblin – yes; Dane Searle – yes; Karece Thompson- yes; Scott Wiggill – yes. Voting was unanimous.

Mayor Petro Left Board Meeting at 6:39pm

CONSIDERATION OF APPROVAL OF SOLAR FARMERS AGREEMENT

Mr. David Hatch-

- The District has been working with the Department of Energy on a free engineering analysis of the Plant, there is a need to have additional engineering to design the solar panels and battery. There are potential local and Federal incentives to help pay back the cost. The Federal incentives



are expiring in 2026. The plant would retire a 1985 cogen generator and use that area and some of the existing electrical infrastructure to implement the solar farm which will cut down on costs and extend the life of the electrical gear. The proposed 1 MW solar and battery would improve reliability and mitigate potential price increases. Rocky Mountain Power (RMP) is projecting a 30% price increase and the solar panels would help to cover the new price increase. This replacement would also decrease emissions from the plant. There would be times in the year the District would be producing more power than needed and could potentially sell back power to RMP.

- The proposed engineering budget would be \$74,422 that includes stamped engineered and permit drawings, a \$20,000 permit allowance, net meter agreement submittal and associated fees for a level 2 study. Mayor Maughan asked if existing cogen processes would run in conjunction with solar. Mr. Hatch responded that it would and there is no plans to retire the co-gen system. The proposed location of the solar farm is behind the lab to help with lowering the amount of needed landscaping of the plant. Roof top panels are not an option now due to the additional infrastructure needed for a decentralized solar panel system but could be looked at later after the needed infrastructure is in place. Mr. Thompson asked which federal legislation the District would be applying for and Mr. Hatch responded with Build Back Better. The payback for this project is about 8-10 years without federal funding and potentially as short as 5 years with federal funding. Federal funding is not always available.
- The motion to approve the solar farms agreement was made by Mayor Vincent and was seconded by Mr. Thompson. Roll call vote was taken: Dave Maughan – yes; Brian Vincent – yes; Lance Hamblin – yes; Dane Searle – yes; Karece Thompson- yes; Scott Wiggill – yes. Voting was unanimous.

DISCUSSION ON DISTRICT LEASED PROPERTIES

Mr. David Hatch-

- Looking to modify the process for renewal of annual property leases each year in October. Mr. Hatch wishes to add a bidding process & RFP that is outlined in the District ordinances. With the proposed new process, there would be a change from annual to every 2 to 3 years renewal with an annual 3-5% increase to cover administrative costs. Due to our ordinances the Eames property is the only property that would need to have the opportunity to match any bid due. These properties have been undervalued for years and need to be brought up to fair market value and this new process would allow that to happen. Mr. Hamblin pointed out that some potential lessees could use land practices causing a loss in value and ruin the soil for future crops. Mayor Maughan recommended giving current lessees the option to match bids with a 5%-10% discount. Mr. Thompson asked about including bidder qualifications in the RFP. Mr. Green with Froerer commented that it is hard to find comparable properties without going to bid. According to District Ordinances, the District does not necessarily have to take the highest bid and could ask for land use plans to review with bids. Mr. Green mentioned there has been interest from current lessees in leasing more property.
- After discussion, the Board supports the process to move forward with the RFP on the leases with certain considerations such as approved land use plans for the leased property and multi-year leases with built in increases. If the tenant is a prior tenant, they would be offered an opportunity to match the bid at a 5% discount. The board approved Mr. Hatch to proceed with the modifications and provide a report of the results.



MANAGER’S REVIEW

Mr. David Hatch -

- The Admin building expansion has a 16-week delay due to shut down of block manufacturing plant and being behind on production of product.
- David & Myron met with the new owner of Marriot Farms, Kami Marriott. In the process of signing another term to the existing contract. Ms. Marriott mentioned the desire to develop the property and that the District will need to find an alternative to the current biosolids process in the before 5 years.
- The annual budget work meeting with the Board will be held in conjunction with the November board meeting. There was discussion about the start time of the work meeting. Mr. Hatch recommended 4:30 pm and Mayor Maughan stated that getting to a meeting that starts before 6 pm is difficult.

ADJOURNED

Moved by Mr. Thompson and seconded by Mr. Hamblin to adjourn at 7:14 p.m. All were in favor.

Approved Angela Lopez 10/10/2024
Clerk of Board Date

