

NORTH DAVIS SEWER DISTRICT
Minutes of Board Meeting held December 8, 2022

Minutes of the regularly scheduled Board Meeting held at the District offices located at 4252 West 2200 South, Syracuse, UT 84075 on Thursday, December 8, 2022 scheduled for 6:00 p.m. Board Chair Petro made an executive decision to begin the meeting early at 5:50 p.m. following the work meeting held at 5:30 p.m.

MEMBERS PRESENT: Joy Petro, Board Chair; Joe Paul, Vice Chairman; Kent Bush, Treasurer; Stan Hamblin; Anna Stanton; Dave Maughan; Brian Vincent; David Hatch, District Manager; Angela Lupcho, Clerk. Anna Stanton attended electronically. Howard Madsen 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; Tyler Beus, Whitaker Construction; Lynn Jorgensen, Whitaker Construction; Jason Williams, Moreton Asset Management. Matt Millis, CapEx Planning; Darren Lowe, Jacobs Engineering; Curt Simmons; and Mike Andersen attended electronically via Zoom.

Moved by Mayor Maughan to begin the meeting with Item 6: Presentation on District Investments – Moreton Investment Advisors. Seconded by Mr. Paul and all were in favor.

PRESENTATION ON DISTRICT INVESTMENTS

Mr. Jason Williams, Moreton Asset Management –

- As a Certified Investment Advisor according to the Utah Money Management Council, Mr. Williams presented an overview of the District's investments and the current market indicating that the District's investment portfolio is has overperformed the Public Treasurer's Investment Fund over the past several years with a current book yield of 3.241 and trending toward over 4 over the next 8 or 9 months. District investments are invested according to the Utah Money Management Act.

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 NOVEMBER 10, 2022

- Minutes of the meeting held November 10, 2022 were approved on motion by Mr. Paul and seconded by Mayor Vincent. All were in favor.

PUBLIC HEARING – AMEND 2022 BUDGET

- Moved by Mr. Paul to go into public hearing for the amendment of the 2022 budget and seconded by Mr. Bush. All were in favor.
- No public comments were received. Ms. Lupcho briefly reviewed the amendments to the 2022 budget with a net increase to operating income totaling \$2,159,146.
- Moved by Mayor Maughan to go out of Public Hearing and seconded by Mr. Bush. All were in favor.

PUBLIC HEARING – ADOPT 2023 BUDGET

- Moved by Mayor Maughan to go into public hearing for the adoption of the 2023 budget and seconded by Mr. Bush. All were in favor.



- No public comments were received. Ms. Lupcho briefly reviewed the 2023 proposed budget with revenues totaling \$38,975,565 and expenses totaling \$22,842,215. Total net change to the preliminary budget presented in November was \$2,940,571.
- Moved by Mayor Maughan to go out of Public Hearing and seconded by Mr. Hamblin. All were in favor.

CONSIDERATION OF APPROVAL OF RESOLUTION NO. 2022-11

Mr. Matt Millis, CapEx Planning, LLC-

- The updated impact fees were presented with the rounding changes proposed last month to update the impact fee analysis report. Without re-noticing the Impact Fee Analysis and Impact Fee Facilities Plan, the new calculation would increase the fees above what was noticed previously. An option to reduce the fees by <1% was presented which would change the impact fees to:

Single-family: \$3,423

Townhome: \$3,081

Multi-unit: \$2,601

TOD-type: \$2,088

Non-residential: \$650

- Mayor Maughan suggested re-noticing with the higher fees based on the new Impact Fee Analysis calculation so the District would not lose the 1%. Moved by Mayor Maughan to re-notice the Impact Fee Analysis and Impact Fee Facilities Plan, schedule a new public hearing and table the Resolution until next month. It was seconded by Mr. Paul and all were in favor.

AWARD OF CONTRACT FOR THE HILL FIELD ROAD REPLACEMENT PROJECT

Ms. Marianka Sochanska with Brown and Caldwell Engineering –

- Ms. Sochanska reported on the bid opening for the Hill Field Road Replacement Project that happened on November 30, 2022. One bid was received from Whitaker Construction for \$11,373,240 and met the requirements of the bid documents. The total bid price was 21% higher than the engineer's estimate and which was attributed to high costs for bypass, diesel, asphalt, and concrete. It was recommended that the project be awarded to Whitaker Construction for the total bid price of \$11,373,240.
- Moved by Mayor Maughan to award the contract for the Hill Field Road Replacement Project to Whitaker Construction for the total amount of \$11,373,240. Seconded by Mr. Hamblin and roll call vote was taken: Joy Petro – yes; Joe Paul – yes; Kent Bush – yes; Stan Hamblin – yes; Anna Stanton – yes; Dave Maughan – yes; Brian Vincent – yes. Voting was unanimous.

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. Bid opening was held on November 30th and contract was just awarded to Whitaker Construction earlier in the meeting.

- **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.



This project has been ahead of schedule all year and is anticipated to be completed ahead of the scheduled date.

- **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. Final completion items are being addressed.
 - Change Order 03 was presented for approval which reduced the contract in the amount of \$193,807.93 for quantity adjustments for unit priced items and allowances not used. Moved by Mayor Maughan to approve Change Order 03. Seconded by Mr. Hamblin and roll call vote was taken: Joy Petro – yes; Joe Paul – yes; Kent Bush – yes; Stan Hamblin – yes; Anna Stanton – yes; Dave Maughan – yes- Brian Vincent – yes. Voting was unanimous.
- **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 is nearing substantial completion.
- **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. Darren Lowe -

- **Pipeline Project:**
27,761 ft of the pipeline was complete or 84.5% of the project. A slight slow down in progress in November due to the Thanksgiving holiday.
- **Pump Station Project:**
Jacobs, Whitaker, and the District are working together to address supply chain issues. Subsurface work on the pump station has begun. 70 stone columns have been installed and density testing is underway on those installed columns. A total 217 columns are set to be installed. Pump station construction schedule is on track.
- **Update on outfall ditch extension:**
Department of Water Quality has decided the ditch must extend to the open water which is currently 4,300 additional linear feet. They are flexible on what the ditch will look like. Engineers will meet with the United State Army Corps of Engineers (USACE) to discuss permitting options. Construction of the ditch is not likely until 2024 and the actual lake elevation in spring 2024 will dictate the length.
 - Amendment No. 7 to Task Order 10 was presented for approval. A summary of the previous amendments were explained. Engineers were requesting approximately \$1.4 million for engineering CMS to complete the project (pipeline and pump station). The services during construction for the pump station were left out of the original estimates. The previous District Manager had agreed to manage the bottom line in the budget but now requires the additional budget to complete the project in 2024. Mr. Hatch pointed out that this increase would be for the project as currently designed and would not address the engineering costs for the ditch extension in 2024. Staff has \$300,000 budgeted for the ditch extension in 2023. If USACE requires the trench dredging material to be removed from the lake rather leave the dredging material behind – it will dramatically increase the trench cost. The budgeted cost of \$300,000 is to leave the dredging on the lake bed. Mr. Jorgenson with Whitaker Construction gave his opinion on inflation and construction cost estimates and felt that at this point, material costs appear to be leveling through labor will increase through next year. Moved by Mr. Paul to



approve Amendment No. 07 for Task Order 10 for \$1.4 million. Seconded by Mr. Bush and roll call vote was taken: Joy Petro – yes; Joe Paul – yes; Kent Bush – yes; Stan Hamblin – yes; Anna Stanton – yes; Dave Maughan – yes. Voting was unanimous.

Mayor Vincent left the meeting at 6:54 p.m.

CONSIDERATION OF APPROVAL OF RESOLUTION NO. 2022-12

Ms. Angela Lupcho –

- Resolution No. 2022-12, “A Resolution repealing and replacing Resolution NO. 2018-09 and adopting a new North Davis Sewer District Section 125 Cafeteria Plan and providing for an effective date” was presented to adopt the new Cafeteria Plan which is amended to include the recently approved changes to the District’s health insurance options and allows certain deductions to be made from employees’ payroll pre-tax through the Cafeteria Plan.
- Moved by Mayor Maughan to adopt Resolution No. 2022-12 and was seconded by Mr. Bush. All were in favor.

CONSIDERATION OF APPROVAL OF RESOLUTION NO. 2022-13

Ms. Angela Lupcho –

- Moved by Mayor Maughan to adopt Resolution No. 2022-13, “A Resolution adopting an amendment to the budget for the remainder of the 2022 budget year” as previously presented during the public hearing. Seconded by Mr. Hamblin and roll call vote was taken: Joy Petro – yes; Joe Paul – yes; Kent Bush – yes; Stan Hamblin – yes; Anna Stanton – yes; Dave Maughan – yes. Voting was unanimous.

CONSIDERATION OF APPROVAL OF RESOLUTION NO. 2022-14

Ms. Angela Lupcho –

- Moved by Mayor Maughan to adopt Resolution No. 2022-14, “A Resolution adopting a budget for the 2023 budget year” as previously presented during the public hearing. Seconded by Mr. Bush and roll call vote was taken: Joy Petro – yes; Joe Paul – yes; Kent Bush – yes; Stan Hamblin – yes; Anna Stanton – yes; Dave Maughan – yes. Voting was unanimous.

CONSIDERATION OF APPROVAL OF RESOLUTION NO. 2022-15

Ms. Angela Lupcho –

- Moved by Mayor Maughan to adopt Resolution No. 2022-15, “A Resolution fixing the annual meeting schedule of the Board of Trustees of the North Davis Sewer District for the year 2023” and was seconded by Mr. Paul. All were in favor.

UPDATE ON SELECTION OF POOL OF CONSTRUCTION MANAGEMENT/GENERAL CONTRACTORS (CMGC)

Mr. David Hatch –

- Mr. Hatch gave an explanation of CMGC instead of the design-bid-build model the District currently uses. The District would eliminate the engineering/design portion and it would allow District to partner with the contractor for construction for simpler lining projects and emergency open cut projects. Larger open cut projects would still be designed by an engineer and delivered using the design-bid-build method. Four proposals were received. A pool of contractors would be selected. C&L and Whitaker were selected for the pool. The contractors would be selected based on project expertise. The CMGC process is additional work that would be managed by Mr. Hatch and Mr. Lamb.



- Mayor Maughan led a discussion about the benefits of competitiveness and the bid process. Ms. Stanton asked whether this practice was common at other Districts and Mr. Hatch gave a few examples of other cities and districts that use CMGC. Mayor Maughan pointed out the bids can create cost savings. Board Chair Petro pointed out that our current project just awarded only received one bid. A timeline for the CMGC contract was discussed. Mr. Hatch explained that it would be up to the Board to decide and could be done for one year or whatever period the Board wished to authorize, and it could be continued at that point or the District could return to the previous design-bid-build model if desired. Mr. Paul asked Mr. Jorgenson with Whitaker Construction to give more insight on how the CMGC relationship would work with transparency between the District and the contractors and asked if they ever wished an engineer was involved. Mr. Jorgensen explained that construction will cost less than a public bid by being able to work with the owner and be more involved in the design process. It was explained that an engineer could be brought in, if necessary, at any point in a project. Mayor Maughan said he would be willing to give it a try for smaller and lining projects but felt there was importance to getting the innovation of engineers on different projects. Board Chair Petro pointed out that the District staff has expertise in engineering and that should be recognized. Mr. Jorgenson with Whitaker also explained that CMGC can also help procurement times by being able to order during design time. Mr. Hatch reviewed the next steps that would happen if the Board gave support to proceed. Ms. Stanton asked about the timeline before giving her support. Mr. Hatch explained that it would be authorized by each work order. The Board gave their support to continue the selection process.

MANAGER'S REVIEW

Mr. David Hatch-

- Mr. Hatch gave a report on discussions he's having with the District's property manager regarding the District's leased buildings and the land leases. No current improvements are planned for certain properties identified for future demolition and the rates for rent for both property and land leases is being completed.
- Mr. Hatch reported that he has met with the city managers for Syracuse, West Point and Layton to be introduced as the new District Manager and meetings are being scheduled with Clearfield, Clinton, Roy, and Sunset.
- A reminder of the award breakfast next week at Little America was given.
- The District holiday party will be held Friday, December 9th at 6 p.m. at the Davis Conference Center.

ADJOURNED

Moved by Mr. Paul and seconded by Ms. Stanton to adjourn at 7:33 p.m. All were in favor.

Approved


Clerk of Board


Date

