

NORTH DAVIS SEWER DISTRICT
Minutes of Board Meeting held July 14, 2022

Minutes of the regularly scheduled Board Meeting held at the District offices located at 4252 West 2200 South, Syracuse, UT 84075 on Thursday, July 14, 2022 at 6:00 p.m.

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

ALSO PRESENT WERE: Steve Lamb, Collection System Superintendent; Ken Burgener, Lab Director; Jason Stansfield, Network Administrator; Brian Lamar, Plant Operations Lead; Marianka Sochanska, Brown & Caldwell Engineering; Mitch Dabling, Jacobs Engineering; Jeff Ambrose, Christensen, Ambrose, and Palmer.

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 noted.

MINUTES OF THE MEETING HELD JUNE 15, 2022

- Minutes of the meeting held June 15, 2022 were approved on motion by Mayor Madsen and seconded by Mayor Maughan. All were in favor.

PRESENTATION OF AUDITED YEARLY FINANCIAL REPORT

Mr. Jeff Ambrose -

- The audit opinion for 2021 is an unmodified, clean opinion. Net Position increased by approximately \$23.5 Million and assets increased approximately \$24 million. Bonds payable increased due to new debt. As a capital intensive entity, a healthy net income is ok. Main change in Capital Assets was Construction in Progress project completion. A note was added for the 2022 bond refunding. Compliance reports are clean. The auditor did not need to change the scope of the audit. There were no disagreements with management and no significant changes were recommended. Questions were answered about what types of information was tested and how.

PRESENTATION AND APPROVAL OF CONTINUING BOND DISCLOSURE DOCUMENTS

Ms. Angela Lupcho -

- The Continuing Bond Disclosure documents were presented. Bond issuers mandated by the SEC to provide continuing disclosure of financial and operational information to investors on an annual basis. The document will be uploaded onto the EMMA website by Zions Bank on behalf of the District. The document includes details on current or defeased bond issuances, outstanding bonds summary, debt service schedules and the remaining pages contain other statistical information for the District and other related entities within the District. The audited financial report is also included in the document.
- Moved by Mayor Maughan and seconded by Mayor Madsen to approve the Continuing Bond Disclosures. All were in favor.

CONSIDERATION OF APPROVAL OF RESOLUTION NO. 2022-05

- Presentation of Resolution No. 2022-05, "A Resolution amending the policies and procedures manual to add Juneteenth as a holiday for District personnel and providing for an effective date." As discussed at last board meeting, the Board gave authorization to give employees Juneteenth Day as a paid holiday effective June 20th. This Resolution adds the policy to the Policies and



Procedures manual. Mr. Bush asked for clarification on whether it was the 3rd Monday of June or June 19th. It was clarified that it will be recognized on the 3rd Monday of June.

- Moved by Mayor Maughan to approve Resolution No. 2022-05. Seconded by Ms. Stanton and roll call vote was taken: Kent Bush – yes; Joe Paul – yes; Joy Petro – yes; Anna Stanton – yes; Dave Maughan – yes; Howard Madsen – yes. Voting was unanimous.

CONSIDERATION OF APPROVAL OF RESOLUTION NO. 2022-06

Mr. David Hatch -

- With consideration of Utah’s economy and the competitive job market, Resolution No. 2022-06, “A Resolution amending certain provisions of the personnel policies and procedures manual and providing for an effective date” is being presented to change some policies to give the District Manager discretion to attract employees with experience by giving the ability to give credit for previous experience in determining placement of employee on salary schedule, adding an employee referral incentive of \$1,500 for every new hire that stays hired in good standing with the District after a 6 month probationary period, the ability to award an employee a higher accrual rate based on previous experience, and allowing the manager to determine the leave accrual rate for reinstated employees. The District would be trying to attract Grade 4 or Grade 3 Operators. Mayor Maughan stated that he agreed with most of the changes but felt that \$1,500 was too high. Mr. Paul and Ms. Stanton agreed. Mr. Hatch stated that he’s seen referral bonuses range from \$750 - \$3,000. Current employees are not graduating to Operator Grade 4 quick enough. Mayor Maughan suggested splitting the bonus into a signing bonus/finding fee incentive. Mr. Paul suggested up to \$750 each up to \$1,500 total and a graduated level of bonuses. Mr. Hatch suggested offering a \$750 each finding fee and signing bonus for a Grade 4 employee hire and \$500 each finding fee and signing bonus for a Grade 3 employee hire after the six month probationary period. Mayor Petro asked Mr. Lamb what his thoughts were. Mr. Lamb stated that he felt it was a good idea and that it can be expensive to train new employees to get to the higher level and there have been issues with attracting applicants that would be considered trainable. Mr. Bush stated that he liked the tiered idea.
- Moved by Mayor Maughan to approve Resolution No. 2022-06 amending the resolution to change the employee referral incentive to \$750 for both the finder fee and signing bonus for a Grade 4 Operator and \$500 for both the finder fee and signing bonus for a Grade 3 Operator if in good standing after the 6 month probationary period. Seconded by Mr. Bush and roll call vote was taken: Anna Stanton – yes; Dave Maughan – yes; Howard Madsen – yes; Joy Petro – y es; Joe Paul – yes; Kent Bush – yes. Voting was unanimous.

CONSIDERATION OF APPROVAL OF RESOLUTION NO. 2022-07

Ms. Angela Lupcho -

- Resolution No. 2022-07 would update the authorized individuals for the Office of the State Treasurer PTIF accounts to remove Kevin Cowan and add David Hatch and Joy Petro.
- Moved by Ms. Stanton to approve Resolution No. 2022-07 and seconded by Mayor Maughan. All were in favor.

CONSIDERATION OF APPROVAL OF ORDINANCE NO. 2022-B

Ms. Angela Lupcho –

- Ordinance No. 2022-B, “An Ordinance amending District Title 2 of District Ordinances by adding Chapter 4 thereto entitled ‘Fraud Hotline Policy’ and providing for an effective date” was presented. The Ordinance provides a process for citizens, employees, and contractors to report improper governmental activities including waste, violations of law, gross mismanagement, abuse of authority, and unethical conduct. It would also add points to the Fraud Risk Assessment score



for the District that is done annually. Mayor Madsen suggested not allowing anonymous complaints. Mayor Maughan agreed. Ms. Stanton agreed adding that investigating anonymous complaints might take a lot of resources. Mr. Stansfield was asked whether there would be a lot of excess cost to implement the Fraud Risk Assessment policy. Mr. Stansfield stated that there would be minimal cost to implement. The anonymous link could be done using a Microsoft form. Emails would be routed to the District Manager or to the Board Chair if the complaint involved the District Manager.

- Moved by Mr. Paul to approve Ordinance No. 2022-B with the addition to not allow anonymous complaints. Seconded by Ms. Stanton and roll call vote was taken: Mr. Bush – yes; Mr. Paul – yes; Anna Stanton – yes; Dave Maughan – yes; Howard Madsen – yes; Joy Petro – yes. Voting was unanimous.

PRESENTATION OF CYBER SECURITY UPDATES

Mr. Jason Stansfield -

- Full implementation of the Cyber Security insurance policy were conditional on certain requirements being filled. These are employee cyber security training requirements, an incident response plan, confirmation of network backup restoration and implementing Multi-Factor Authentication in certain areas, and Apache Log4,2 risk response. Mr. Paul asked about using Sharepoint or Teams versus Dropbox for Board Member information. Mr. Stansfield stated that since Dropbox has only been used for sharing public facing documents, we haven't looked into changing it for security reasons. The District already uses Teams as a part of Office 365 so the \$12 per month cost of Drop Box could be eliminated by the switch. Mr. Stansfield will look into it.

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. 30% design submittal was completed on May 17th. Meetings with UDOT and Layton City are expected following the 60% review in July or August.
- **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. Bypass setup is beginning on Main Street near Fairfield Rd. Section 1 pipe and manhole installation is nearing completion. Mayor Petro requested that small businesses have access points available in the area they are working. Ms. Sochanska stated she would relay the request to the contractor.
- **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. The manhole installation has been completed. The last 2 sections of 54” liner will be installed in the next 24 hours and then work will move towards Antelope for the next manhole. Work should be completed by mid July.



- **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. Work on Roy sections has commenced. There are four sections to this project. Work on 4000 West above Antelope will coordinate with CIPP 9 project completion.
- **Manhole Rehabilitation Project 1 – Gordon Avenue:**
This project includes rehabilitation of 15 manholes in Gordon Avenue. Contractor mobilization has begun. Manhole insert material has been ordered with a lead time of 6-8 weeks.

ENGINEERING AND CONSTRUCTION UPDATE, PLANT DISCHARGE RELOCATION - JACOBS

Mr. Mitch Dabbling-

- 3 miles have been completed on the pipeline. The siphon work is completed which included a lot of concrete work. Pipeline inspection was done yesterday on the completed sections. Joint to joint measurements were taken to measure the settling and squishing of the pipe and measured ¾” shorter than wide which is within the tolerance allowed. Contractor is doing a great job. Engineers are working through insurance and contract documents with Whitaker Construction regarding the pump station and notice to proceed was given this week.

MANAGER’S REVIEW

- Mr. Hatch reported that he gave authorization to extend the timeline for Lining Project 9 by 73 days and the Manhole Rehabilitation project by 99 days due to issues with getting materials.
- Notice to proceed was given on the Effluent Pump station this week.
- Lagoon tickets have been distributed for the District’s summer party on 7/30. Dinner will be a 4:00 p.m. at the pavilion.

CHAIRMAN’S REVIEW

- Discounted pre-registration date for WEFTEC is due 7/29. Mayor Maughan and Mr. Bush both indicated that they are planning to attend the conference this year. The dates are October 8 – 12 and will be in New Orleans. The question came up whether it is necessary for all board members to attend. Mayor Petro proposed that any funding left from the budget for the board members that do not attend could go towards employees to provide a benefit. Ms. Lupcho pointed out that all board members are budgeted to go to the conference. Mayor Maughan wanted to make sure the benefit for the employees was something meaningful. Mayor Petro suggested a treat cart or drinks. Mr. Kent suggested bringing food trucks in for employee lunches quarterly. Mr. Hatch will get ideas on what employees would appreciate and bring the information back to the board.
- Mr. Paul and Mayor Petro talked to Mr. Hatch about making sure that employees don’t need to take leave time to supplement travel while going to conferences. Employee attendance at conferences should be encouraged.
- Mayor Petro asked other board members if they would be interested in participating in the District golf tournament on 9/7. Sign up sheet is available for those interested.

ADJOURNED

Moved by Mr. Bush and seconded by Mr. Paul to adjourn at 7:29 p.m. All were in favor.

Approved


Clerk of Board

8/11/2022
Date

