

Minutes
Central Davis Sewer District Board Meeting
October 8, 2009

The Board of Trustees of the Central Davis Sewer District met in regular session at 7:00 pm at the District office located at 2200 South Sunset Drive, Kaysville, Utah 84037.

Present: Attending the meeting were Chair Susan Holmes and Trustees John Thacker, Carol Page, Sherm Cloward and Steve Brough. District Manager Leland Myers and Engineer Jill Houston were present.

Minutes: Chair Holmes asked if there were any corrections to the minutes for September 10, 2009. No corrections were made. Trustee Cloward moved the minutes of the meeting be approved as corrected. Trustee Brough seconded the motion and all Trustees present voted aye.

Claims: Chair Holmes invited Manager Myers to review the claims list with the Board. After review, Trustee Page moved the claims as presented be accepted. Trustee Thacker seconded the motion and all Trustees present voted aye.

Candidate Appointments: Chair Holmes stated that no one declared candidacy as a write in. So, there are only three candidates for the three elected positions open. In accordance with State law the Board may appoint the three candidates to the open positions and forgo the election. Trustee Page moved to appoint Susan Holmes, John Thacker and Sherm Cloward to four year terms beginning January 1, 2010 and ending December 31, 2013. This action is in accordance with Utah Code 17B-1-601 which authorizes the Board to take this action. Trustee Brough seconded the motion and all Trustees voted aye.

2010 Budget Review: Chair Holmes invited Manager Myers to review the revenue, general expenses and special studies section of the 2010 Budget with the Board. Manager Myers presented a detailed review of the following budget areas:

Revenue Accounts:

1. Treatment and collection system fee revenues.
2. Property tax revenue analysis
3. Impact Fee revenue analysis

4. Sundry income analysis
5. Interest income analysis

General Expense Accounts:

1. Bond interest and principal
2. Utilities
3. Chemicals
4. Treatment plant expense by sub-account
5. Collection system expense by sub-account
6. Professional services
7. Travel and training
8. Misc. Expenses - Office and Insurance

Special Studies:

1. Staffing evaluation against national standards
2. Tax rate comparison

Based on the review, the Manager stated that currently revenues are stable and at expected levels, the tax rate is low consistent with the reduction in raw ground and the movement toward a rate based structure when buildout occurs, impact fee revenues are low and a large inventory of empty lots exists, staffing is about 67% of national norms, and general expenses are increasing with facility age. The Manager also explained that the District has about \$1,000,000 annually available for renewal and replacement of infrastructure. After review, the consensus of the Board was to proceed with the presented information into the preliminary budget for 2010. Additional discussion about tax exchange revenue with North Davis Sewer District relative to the areas in North Davis served by the Central Davis system took place. The Board instructed the Manager to open discussions with North Davis about updating the agreement to reflect current tax valuation and revenues.

Letter to Residents on Rags Problem: Manager Myers presented a proposed letter to be sent to residents about pump plugging from disposable wipes. This problem is occurring within two pump station service areas. Trustee Thacker offered improvements to the letter to make it less technical and to attract greater numbers to actually read the request for help. After review, all Board members concurred with sending the letters to homes in the affected areas.

Banking Actions: Chair Holmes stated that the District needed to amend its banking program due to the current financial status of Barnes Bank. Manager Myers explained that the District opened a new non-interest bearing insured account at Barnes to

augment the current checking account. Both accounts will remain under the insured limits. A resolution for the new account was included. Trustee Cloward moved to approve the resolution. Trustee Page seconded the motion and all Trustees voted aye.

Procurement - Blanket Level Detectors: Manager Myers presented prices on the supply of replacement blanket level detectors for two of the oxidation ditch clarifiers. These are identical to units recently purchased and installed. The installed units are working well. Manager Myers recommended purchase of the two additional instruments based on prior procurement activities. Budget is available for this purchase. Trustee Thacker moved to approve purchase of two blanket level detectors from Hach as proposed (P.O. value of \$9,241.00). Trustee Cloward seconded the motion and all Trustees present voted aye.

Procurement - RAS #1 Motor Starters and Controls: Manager Myers presented pricing for supply of three variable frequency drive panels and one control panel for an electrical and controls system re-build in return activated sludge pump building #1. The total price for the project is \$23,350.00. This would be a sole source procurement from Electro Power Utah, LLC. The justification for sole source procurement is to insure consistency with other control system panels in place. Trustee Thacker moved to approve the sole source procurement from EPU as presented. Trustee Page seconded the motion and all Trustees voted aye.

Procurement - Electrical Billings Review BGM: Manager Myers presented an unsolicited proposal from BGM for review of the District's electrical billings. The proposal is for an unpaid review and a division of any savings or rebates found. Board members indicated that such a review would be of little benefit to the District since most of the billings come from Kaysville which has a flat rate for electrical service. As such, the Board indicated that the District Manager should thank BGM for the proposal but decline the offer of service.

Procurement - Grit Pump: The following bids were presented for supply of a replacement grit pump

Wemco Pump	\$10,952
Fairbanks Morse	\$ 8,802

Trustee Thacker moved to approve procurement of the pump from the apparent low bidder Fairbanks Morse. Trustee Page seconded the motion and all Trustees present voted aye.

Minor Items: The following minor items were reviewed with the Board by the District Manager:

1. Article on EPA Science Advisory Board and Nutrients
2. Article on greenhouse gas regulations from large facilities.
3. Information on a major collections system repair costing about \$22,000 in Farmington.
4. Expended vs. Budget Report through 10/1/2009.

The meeting adjourned at 9:51 pm.

Next Regular Meeting: November 12, 2009.

District Manager