

*1 - Brough
2 - Roueche*

**Minutes
Central Davis Sewer District Board Meeting**

September 14, 2023

The Board of Trustees for Central Davis Sewer District met in regular session at 6:00 pm at the District office located at 2200 South Sunset Drive, Kaysville, Utah 84037.

Present: Attending the meeting were Chair Susan Holmes, Trustees Carol Page, Mike Roueche, Mark Johnson, and Steve Brough. Staff members attending were Manager Jill Jones, Assistant Manager Manjot Masson, Project Manager Brent Justensen attended the Facility Tour. Mr. Tim Hirsch a neighbor also attended.

Tour of the Treatment Facility: Board and staff toured the treatment facility. Manager Jones pointed areas where staff or contractors had repaired or upgraded and those areas needing repairs and upgrades. All board members thanked the operators and staff for their great work.

Minutes: The Board reviewed the minutes for August 10, 2023. Trustee Johnson moved to approve the minutes. Trustee Brough seconded the motion and all Trustees voted aye.

Claims: Chair Holmes asked Manager Jones to review the claims with the Board. Manager Jones provided an explanation of all items over \$1,000; Visa payments were reviewed with an explanation of \$500 or more. The cash receipts journal and bank reconciliation report were also presented. After review, Trustee Brough moved to approve the claims as presented. Trustee Page seconded the motion and all Trustees voted aye.

2024 Budget Considerations: Chair Holmes asked Staff to brief the Board on the provided Budget Information. Staff reviewed the following sections for the proposed 2024 Budget:

1. General Expenses
2. Capital Projects Update
3. Preliminary Capital Budget

Manager Jones reminded the board of the utility presentation last month showing the unanticipated inflationary costs of all utilities and pointed out areas where inflationary

factors were greater than anticipated. Ms. Jones will continue to update the board on expenses in the coming months.

Assistant Manager Manjot Masson provided an update on Collection and Treatment Capital Projects to-date continued from last month.

The preliminary capital budget was presented by Assistant Manager Masson. Ms. Masson presented a five-year preliminary capital budget. Ms. Masson presented a five-year forecast for the preliminary capital budget in addition to the proposed capital budget for 2024. Ms. Masson conducted an analysis of the revenue and expenses and the projected capital needs based on repair and replacement to the end of 2023. Ms. Masson pointed out even with the current \$3 a month increase in rates, there is still a deficiency in funding. High inflationary costs have increased expenses tremendously. Current revenues are not meeting current expenses. Currently the District is paying for all capital construction with savings. Staff will look at a rate increase sufficient to cover projected expenses and capital costs. Ms. Masson indicated that a \$3 increase is needed to cover existing expenses and an additional \$5 is needed to cover renewal and replacement of existing assets.

Procurement – Direct Replacement of Hydrocyclone for Grit Classifier Sole

Source: Assistant Manager Masson explained that the hydrocyclone is having issues and a replacement is needed. A direct replacement (sole source) is requested to fit into the space and work with the existing grit classifier. Trustee Johnson moved to approve the sole source procurement of the hydrocyclone for the existing grit classifier. Trustee Roueche seconded the motion and all Trustees voted aye.

950 North Pump Station Update: Chair Holmes invited Assistant Manager Masson to proceed with the update. Ms. Masson provided a video showing the concrete work and progression of the pump station. All Trustees thanked Ms. Masson for the update.

Retirement Health Benefits: Chair Holmes asked Manager Jones to present the retirement health benefits information. Ms. Jones provided information on options that included:

Do Nothing – Sick leave currently paid out at \$10/hour at retirement if over 400 hours.

Use Sick Leave for Health Benefits – At retirement if 720 hours sick leave and 20 years of service, health benefits paid up to 3 years (approx. \$37,000) using sick leave.

Sick Leave Pay Out – If health benefits are not needed at retirement, 25% of sick leave paid at current wages with at least 720 hours sick leave.

Hybrid Health Benefits and Payout – Any sick leave over 720 hours used for health benefits, will be paid out at \$20/hour.

Hybrid Alternate – 25% of any sick leave over 720 hours used for health benefits will be paid at current wage.

The board thanked staff for the information and asked to have legal counsel provide language to move forward.

Current Employees: Manager Jones presented pictures of the current staff and informed the board that Nate Cloward, current lead operator was chosen as the Operations Manager. The board appreciated the pictures.

NACWA Update: The NACWA 2022 Cost of Clean Water Index survey was included and discussed. Assistant Manager Masson pointed out the national average for sewer rates was \$47.42 per month.

Minor Items:

UASD Annual Meeting

Expended vs. Budget

Articles of Interest

Public Input: There was no public input.

Trustee Page moved to adjourn the meeting. Trustee Roueche seconded the motion and all Trustees present voted aye.

The meeting adjourned around 8:20 pm.

Next regular meeting: October 12, 2023.

District Manager

