

**SOUTH VALLEY WATER RECLAMATION FACILITY
BOARD MEETING
Wednesday, November 16, 2022
7495 South 1300 West
West Jordan, Utah 84084**

Attendance	Board Chairman	Jerry L. Knight, Sandy Suburban Improvement District
	Board Vice Chairman	Brad Powell, Midvalley Improvement District
	Board Member	Craig L. White, South Valley Sewer District
	Board Member	Glen Kennedy, Midvale City (excused)
	Board Member	Brian Clegg, City of West Jordan (excused)
	Attorney for South Valley	Tracy S. Cowdell
	General Manager	Lee Rawlings
	Facility Engineer	Taigon Worthen
	Finance Director	Gary Dunn (excused)
	Facility Clerk	Belinda Patterson
	Alternate, City of West Jordan	Greg Davenport
	City of West Jordan	Dave Murphy
	Alternate for Midvale City	Keith Ludwig

Call to Order Chairman Knight called the meeting to order at 12:30 p.m. and welcomed those in attendance.

Roll Call Roll call vote was as follows:

Mr. Davenport	“here”
Mr. Ludwig	“here”
Mr. White	“here”
Mr. Powell	“here”
Chairman Knight	“here”

**Ceremonies/
Presentations/Public
Comments** Chairman Knight opened the public hearing at 1:00 p.m. for the purpose of the SVWRF 2023 proposed budget.

No one from the public appeared.

Chairman Knight closed the public hearing.

2023 Proposed Budget Mr. Rawlings proposed that for 2023, staff move their medical and dental plans from EMI Health to PEHP. PEHP will provide a high deductible medical plan, with an HSA, dental, and new for 2023, vision. SVWRF is proposing to fund the HSA at \$1000 per year for single and \$2000 per year for family making contributions on a quarterly basis. The proposed changes will result in a 7.3% increase from the 2022 rates.

Mr. Rawlings talked briefly about the recent salary survey, merits, and COLA's and offered his recommendation. Mr. White said that staff has done exactly what the board has requested in an effort to retain employees and remain competitive. Mr. Rawlings also proposed an increase in differential pay from \$1.25/hr. to \$2.00/hr.

The 2022 budget for RM&A has approximately \$1.8 million remaining. Staff is requesting that this amount be rolled over in to the 750 account to be available to complete the projects that were scheduled for 2022. Staff is requesting that \$150,000 be moved in to the reserve account and the balance be left in the 750 account. Currently there is approximately \$780,000 in the reserve account.

Mr. Murphy asked how much of the \$1.8 million is covering what is projected in the 2023 budget. Mr. Rawlings responded that the funds have all been allocated for 2022 projects.

Mr. Davenport said that some of the RM&A should have been in the capital plan. He explained that there is a maintenance part, and a replacement part which should be part of the capital plan. In future budget years this needs to be looked at. Mr. Rawlings said the RM&A was prior to the capital facility plan.

Mr. Worthen offered to meet with Mr. Murphy and Mr. Davenport to show them how the RM&A and the capital facility plan have been blended together.

Mr. Rawlings reminded the board that an updated 10-Year RM&A schedule was also included in their packet.

Resolution 11-16-2022(A) Approve 2023 Proposed Budget

Mr. Powell moved that the board approve Resolution 11-16-2022(A) adopting the South Valley Water Reclamation Facility Budget for Calendar Year 2023 as amended and authorize the chairman to sign the resolution. Mr. Ludwig seconded the motion. Roll call was as follows:

<u>Mr. Powell</u>	<u>"yes"</u>
<u>Mr. Davenport</u>	<u>"yes"</u>
<u>Mr. Ludwig</u>	<u>"yes"</u>
<u>Mr. White</u>	<u>"yes"</u>
<u>Chairman Knight</u>	<u>"yes"</u>

All were in favor, motion carried.

Draft Resolution to Create Finance and Technical Review Committees

Mr. Cowdell presented a draft resolution which would create a financial advisory committee and a technical advisory committee. He requested input from the board.

Mr. White suggested giving these committee's authority to make decisions so that some items don't need to come back to the board to be discussed again. But at the same time understands that there are decisions that need to be made specifically by the board. Mr. Davenport agreed.

Mr. Davenport asked for time to be able to discuss this with his finance committee.

Mr. White added that the minutes taken in the last finance meeting to discuss the 2023 proposed budget was extremely helpful.

Chairman Knight said that the finance committee can meet and make recommendations to the board, but he does not agree that they should be able to make decisions on how money should be spent. Or even an engineer make decisions on what projects should be done. It's the boards responsibility to make those decisions.

Mr. Ludwig stated that the committees are a great asset but felt they should be for advisory only with no decision authority.

This item was tabled until the December meeting.

**Task Order with
Bowen & Collins for
evaluation of North
Interceptor**

Mr. Worthen presented a task order for professional services to be provided by Bowen, Collins & Associates to inspect the north sewer interceptor, and manholes, which serves Midvale City, City of West Jordan, and Midvalley Improvement District. They are tasked to collect data and perform a review of that data in accordance with applicable industry standards. The pipeline is on the west side of the river from 70th south to the facility and currently owned by the facility. This assessment will help staff appropriately plan when the work, if needed, on the pipeline should be scheduled in to the Capital Facility Plan.

Mr. Worthen said that currently the board is paying by flow and load which includes South Valley Sewer District (SVSD) and Sandy Suburban Improvement District (SSID). Staff can pull SVSD and SSID and bill the other three entities according to flow and load and capacity rights.

Mr. Worthen will create the two schedules and present them to the board at a later date.

This item has been tabled for a future meeting.

**Task Order with
Carollo to Update
Capital Facility Plan**

This task order is to update the draft of the 2021 Capital Facility Plan addressing issues of concern that have been identified by the board. These concerns include project prioritization including likelihood of failure and consequence of failure, planned scheduling, budget estimates including inflation escalation, and a comparison of Capital Facility Plan investment to replacement of SVWRF.

Mr. Cowdell added that Mr. White always believed in funding depreciation rather than always operating in arrears. It would be helpful to staff if we were in a place where there is consistency in how projects are dealt with rather than just having this abrupt triage approach to it.

Chairman Knight said that if this approach helps the City of West Jordan get their funding for projects, he supports it. Mr. Ludwig supported having projects lined out to determine when they can be afforded.

Mr. White moved that the Board approve the task order to update the Capital Facility Plan by Carollo Engineers and authorize the board chairman to sign it upon review and approval by the facility attorney. Mr. Powell seconded the motion. All were in favor, motion carried.

Task Order with Carollo for Study on Facility's Cathodic Protection

Mr. Ludwig moved that the board approve the task order to evaluate SVWRF's cathodic protection measures and authorize the board chairman to sign it upon review and approval by the facility attorney. Mr. Davenport seconded the motion. All were in favor, motion carried.

Increase Capitalization Threshold to \$10,000

This request was presented in the October meeting. The board was concerned about how this change might affect the thresholds the facility uses when surplus equipment. Staff is not recommending any change to current policy.

Mr. White moved that the board approve increasing the capitalization threshold from \$5000 to \$10,000. Mr. Powell seconded the motion. All were in favor, motion carried.

Extend Agreements with Lewis Young Robinson & Burningham as Municipal Advisor, STIFEL as Underwriter, and Gilmore Bell as Bond Counsel, for Another 5 Year Period

Mr. Powell moved that the board approve extending agreements for another 5 years with Lewis Young Robertson and Burningham as financial advisors, STIFEL as underwriters, and Gilmore Bell as bond counsel. Mr. Ludwig seconded the motion. All were in favor, motion carried.

Mr. Cowdell added that staff will go out to bid in five years.

Approve Increase in Pretreatment Fees

Mr. Cowdell added that a notice will need to be provided as well as a public hearing after 6 pm. prior to these fees being approved. He will check the Utah Code to see if anything has changed.

Mr. White moved to proceed. Mr. Ludwig seconded the motion. All were in favor, motion carried.

Consent Calendar

Items included on the consent calendar are as follows:

- Ratify Check Register: October 2022
- Approval of Minutes: October 19, 2022 Board Meeting
- Next Board Meeting Date: December 21, 2022 @ 10:30 a.m. with Christmas Lunch

Mr. Powell moved that the board approve the Consent Calendar. Mr. White seconded the motion. All were in favor, motion carried.

General Manager Report

There was no additional discussion.

Project Updates

Mr. Worthen gave a brief overview on the status of current and future projects.

Closed Meeting

There was no closed meeting.

Other Business

There was no other business discussed.

Adjournment

Chairman Knight adjourned the meeting at 1:28 p.m.

Jerry L. Knight, Board Chairman

Belinda Patterson, Facility Clerk