

MINUTES OF THE MEETING OF THE TRUSTEES
OF THE CENTRAL WEBER SEWER IMPROVEMENT DISTRICT (CWSID)
HELD MONDAY, APRIL 15, 2024 AT THE DISTRICT OFFICE
LOCATED AT 2618 WEST PIONEER ROAD, MARRIOTT-SLATERVILLE, UTAH.

Trustees Present: Mark Allen, Neal Berube, Sheri Bingham, Bart Blair, Leonard Call, Gage Froerer, Braden Mitchell, Ben Nadolski, Russ Porter, Michelle Tait, Scott VanLeeuwen, Rob Vanderwood, and Rod Westbroek.

Trustees Excused: Bob Blind and Rich Hyer.

Others Present: Kevin Hall, Camille Cook, James Dixon, Mark Anderson, Clay Marriott, Shawn Wilson, Paige Spencer, Jeff Beckman (Bowen Collins & Associates), and Ryan Bench (Carollo Engineers).

Call to Order

Chairman Allen called the meeting to order at 5:00 p.m.

The pledge of allegiance was led by Trustee Blair.

The invocation was offered by Trustee Allen.

Public Comment

There were no public comments.

Minutes of March 18, 2024 Board Meeting Approval

It was moved by Trustee Call and seconded by Trustee Mitchell as follows:

That the March 18, 2024 Board meeting minutes be approved as presented.

The motion carried by the affirmative vote of Trustees Allen, Berube, Bingham, Blair, Call, Froerer, Mitchell, Nadolski, Porter, Tait, VanLeeuwen, Vanderwood, and Westbroek.

Ratification of Vouchers

Camille Cook reminded the Trustees about vouchers that previously were approved by the Board prior to payment, and recommended ratification of the March 2024 Check Register, which is an itemized list of all payments made by the District during March, in the total amount of \$5,311,795.18.

It was moved by Trustee Porter and seconded by Trustee Froerer as follows:

That the March 2024 Check Register be ratified and approved as presented in the total amount of \$5,311,795.18.

The motion carried by the affirmative vote of Trustees Allen, Berube, Bingham, Blair, Call, Froerer, Mitchell, Nadolski, Porter, Tait, VanLeeuwen, Vanderwood, and Westbroek.

Project Updates of Major Capital Projects

James Dixon updated the Board regarding work by C & L Water Solutions on the Hooper Pipe Rehab Phase 2 Project. The final walk through has been scheduled and the Project should be substantially completed by the next Board meeting. The District anticipates that a credit will be received on this Project. Trustee Blair asked for clarification regarding whether the full amount of the contract will be paid and the credit will be refunded to the District or the credit will be applied to the final invoice so the District will pay less than the full contracted amount. Mr. Dixon clarified that a final change order will be issued to reduce the contract amount by the amount of the credit prior to the last payment.

Mr. Dixon updated the Board on the Phase 2 Expansion and UV (ultraviolet light) Disinfection Project and noted that Gerber Construction continues to make good progress on the work. In response to a question from Trustee VanLeeuwen, Mr. Dixon stated that the current estimated completion date is the Spring of 2026.

Certification of Annexation/Withdrawal Petitions

Mr. Hall presented two Annexation Petitions to be certified by the Board. The ownership of Orlando Farms, a 17-acre residential development in West Haven, has petitioned for annexation into the District. CWSID staff has verified that the petitioner owns the development and the Petition is in order.

The ownership of Hyland Ranch and Aspire Pointe, a 23-acre residential and commercial development in West Haven, has also petitioned for annexation into the District. CWSID staff has verified that the petitioner owns the development and the Petition is in order.

Mr. Hall recommended that the Board certify both Annexation Petitions.

It was moved by Trustee VanLeeuwen and seconded by Trustee Call as follows:

That the Annexation Petition for the Orlando Farms development and the Annexation Petition for the Highland Ranch / Aspire Pointe development be certified.

The motion carried by the affirmative vote of Trustees Allen, Berube, Bingham, Blair, Call, Froerer, Mitchell, Nadolski, Porter, Tait, VanLeeuwen, Vanderwood, and Westbroek.

Review of Payroll and Benefits Portion of the FY 2025 Budget

Ms. Cook reviewed the proposed payroll and benefits portion of the FY (Fiscal Year) 2025 Budget.

The payroll portion of the proposed FY 2025 Budget reflects an approximately 23% increase above the FY 2024 Budget for payroll due to proposed wage increases, the promotion of three supervisors, the creation of a night-shift differential, and the hiring of two new full-time employees. The District is currently staffed with 34 permanent employees, but the workload indicates a need to hire two additional permanent employees, so the FY 2025 Budget proposal includes 36 permanent employees.

The District operates a very efficient wastewater treatment system in terms of the number of employees per thousand gallons of wastewater treated. With a relatively small staff, management has been mindful of employee retention. CWSID has sufficient funding in the proposed Budget to provide merit-based increases in FY 2025.

The proposed Budget also includes a significant increase in the travel and training budget to cover CDL training for a portion of the operations staff.

The proposed FY 2025 Budget also includes an approximately 17% increase for employee benefits. District employees are covered by the Public Employees Health Plan (PEHP) for medical and dental insurance. Medical insurance costs over the past eight years have been reviewed. During that period, health insurance premiums, on average, increased approximately 3% per year. Approximately 80 local government agencies are insured by PEHP in the same pool as the District.

It is time to renew health insurance coverage for the District's employees. If the Board approves a health insurance renewal with PEHP in April, District employees will have time for an open enrollment period, with new insurance to become effective on July 1, 2024. The District's premium increase will be 6.5%.

The PEHP Health Plan is a benefit that is greatly appreciated by CWSID employees. Management recommended approval of the PEHP Plan for FY 2025 to maintain the quality of coverage and network continuity for District employees based on recommendations made in 2021 by the CWSID Health Insurance Selection Committee.

Trustee Berube asked about the average merit increase in the proposed FY 2025 Budget, and if the full 6.5% health insurance premium increase would be covered by the District. Ms. Cook replied that a 4% merit increase was budgeted and the health insurance increase would continue to be covered at 100% for employees with over 10 years of service and at 90% for employees with less than 10 years of service with CWSID. However, not all employees will receive a 4% wage increase. Some will receive more than 4% and some less, based on merit, with an over-all average wage increase of 4%. Trustee Westbroek asked if a COLA (cost of living adjustment) was included in the Budget. Ms. Cook responded that money budgeted in the miscellaneous payroll category could be used for a COLA increase, if necessary.

Trustee Call asked why CDL's are necessary for District operations staff. Mr. Hall replied that the weight of the truck that carries biosolids necessitates CDL licensed drivers to operate the truck. There is an increasing need to move biosolids more often, and operators will need to have CDL licenses so the truck can be operated throughout each work shift.

Trustee Nadolski asked if the District has completed a wage study. Ms. Cook responded that a salary survey is conducted annually to compare CWSID to similar districts across the Wasatch Front. Trustee Berube asked if the number of employees per million gallons of wastewater treated per day, on average, is an adequate measurement comparison. Mr. Hall responded that using the number of employees per million gallons of treated wastewater is the best available unit of measurement. Other methods are available, but a better alternative isn't readily available.

Review of FY 2025 Budget Capital Projects

Mr. Hall presented information on capital projects in the Fiscal Year 2025 Tentative Budget, which the Board will consider in May. He stated that a significant portion of the Budget will consist of planned and contracted capital projects. The below table, which was included in the Board packet, summarizes the proposed FY 2025 expenditures. Many of the projects are continuations of current projects, including the Phase II Bioreactor and UV Disinfection Project, which is a multiyear project. The budgeted amounts are based on the engineer's estimated project costs, which are used to estimate how much will be spent each year, including funding that is carried forward from previous years. The capital projects are necessary due to population growth, compliance with regulations, and aging infrastructure. The FY 2025 Tentative Budget may need to be adjusted before final approval in June. Mr. Hall provided a summary of each project category and the planned projects included in each proposed budget amount:

Fiscal Year 2024-2025 Capital Budget:

- Land Acquisition: \$0
 - Site Paving & Utility Improvements: \$1,650,000
 - Plant Projects: \$670,000
 - Vehicles & Motorized Equipment: \$592,000
 - Pump Station Equipment: \$260,000
 - Collection System Projects: \$7,850,000
 - SCADA Improvements: \$590,000
 - Building Improvements: \$3,150,000
 - Master Plan Study & Impact Fee: \$0
 - Plant Growth and Expansion: \$47,000,000
- Total \$61,762,000**

The final FY 2025 Budget will be brought before the Board for consideration during a future Board meeting.

Review and Consideration of March Financial Statement

Ms. Cook reviewed the March 2024 Financial Statement with the Trustees. She explained that the District's finances are in line with expectations for this point in the budget year. She informed the Trustees that revenues and expenses are close to the FY 2024 Budget numbers, noting that expenditures are impacted by inflation, and it costs more to maintain an aging sewage treatment plant. Ms. Cook recommended approval of the March Financial Statement, and asked if there were any questions.

Trustee Berube asked if the member entities (wholesale customers) were remitting timely payments to the District for impact fees and quarterly billings. Ms. Cook responded in the affirmative.

It was moved by Trustee Porter and seconded by Trustee Nadolski as follows:

That the March Financial Statement be ratified and approved as presented.

The motion carried by the affirmative vote of Trustees Allen, Berube, Bingham, Blair, Call, Froerer, Mitchell, Nadolski, Porter, Tait, VanLeeuwen, Vanderwood, and Westbroek.

Possible Closed Meeting Concerning Pending & Threatened Litigation, Purchase of Real Property and/or Personnel Issues

There was no need to go into a closed meeting.

General Manager

Mr. Hall had no additional information to present. Chair Allen asked if commercial businesses operate onsite pretreatment processes. Mr. Hall responded that significant industrial users are required to apply for a treatment permit. They may elect to have the District treat the discharge in exchange for paying a surcharge fee or to install their own pretreatment system to bring the concentration (strength) of the wastewater down to a standard residential concentration.

Attorney

Mr. Anderson had no additional business to present.

Other Business

Trustee Vanderwood asked what services are currently provided by the CWSID laboratory. Mr. Dixon responded that the services provided by the certified laboratory are related to meeting the District's permit requirements and other State programs. The lab also provides sampling for other governmental entities, charging fees that are comparable to those of a commercial laboratory.

Trustee VanLeeuwen asked if the Trustees or District staff members were aware of a Weber Basin Water Conservancy District (WBWCD) water treatment plant to be built on the upper Weber River to furnish drinking water to western Weber County. Mr. Hall mentioned that WBWCD representatives will attend the CWSID Long Range Planning Committee meeting in May, and might discuss that topic with the Committee. Trustee Froerer mentioned that the WBWCD Board of Trustees, on which he serves, has authorized an engineering study to look into the feasibility of a building on 12th Street. To date, no deal has been secured, and only an engineering study has been authorized.

Adjournment

There being no further business to come before the Board, it was moved by Trustee Call and seconded by Trustee Porter as follows:

That the Board meeting be adjourned.

The motion carried by the affirmative vote of Trustees Allen, Berube, Bingham, Blair, Call, Froerer, Mitchell, Nadolski, Porter, Tait, VanLeeuwen, Vanderwood, and Westbrook.

Chairman Allen declared the meeting to be adjourned at 5:38 p.m.

Approved by the Board of Trustees of the Central Weber Sewer Improvement District on the 20th day of May, 2024.

Mark C. Allen, Chairman

ATTEST:

Camille Cook, Clerk