

MINUTES OF THE MEETING OF THE TRUSTEES
OF THE CENTRAL WEBER SEWER IMPROVEMENT DISTRICT (CWSID)
HELD MONDAY, NOVEMBER 20, 2023 AT 5:00 PM, AT THE DISTRICT OFFICE
LOCATED AT 2618 WEST PIONEER ROAD, MARRIOTT-SLATERVILLE, UTAH.

Trustees Present: Mark Allen, Neal Berube, Bart Blair, Josh Blazzard, Leonard Call, Dale Fowers, Rich Hyer, Gage Froerer, Braden Mitchell, Russ Porter, Michelle Tait, Scott VanLeeuwen, and Rob Vanderwood.

Trustees Excused: Mike Caldwell and Rod Westbroek.

Others Present: Kevin Hall, Camille Cook, James Dixon, Mark Anderson, Paige Spencer, Clay Marriott, Shawn Wilson, Ryan Bench (Carollo Engineers), Jon Parry (Weber Basin Water Conservancy District - "WBWCD"), Darren Hess (WBWCD), Scott Paxman (WBWCD), Jeremy Williams (Hazen and Sawyer), and Jeff Beckman (Bowen Collins & Associates).

Call to Order

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

The pledge of allegiance was led by Trustee Fowers.

The invocation was offered by Trustee Call.

Public Comment

There were no public comments.

Minutes of October 16, 2023 Board Meeting Approval

It was moved by Trustee Hyer and seconded by Trustee Van Leeuwen as follows:

That the October 16, 2023 Board meeting minutes be approved as presented.

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

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 October 2023 Check Register, which is an itemized list of all payments made by the District during October, in the total amount of \$4,288,214.79.

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

That the October 2023 Check Register be ratified and approved as presented in the total amount of \$4,288,214.79.

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

Project Updates of Major Capital Projects

James Dixon presented a financial and construction status update for the following major capital projects that are under construction:

C&L Water Solutions did not provide an invoice for the work completed in October on the Hooper Pipeline Rehab Phase 2 Project. The amount of the invoice would have been minimal, and will be included in the next billing. It is anticipated that this Project will be completed in the spring of 2024.

The Phase 2 Expansion and UV (ultraviolet light) Project billings are on track and work on the Project is on schedule. The Project is now 31.82% complete with earnings in October of \$3,297,933.26. Earnings (the value of the work performed by Gerber Construction) continue to climb as shown on the chart that was included in the Board meeting packet.

Certification of Annexation/Withdrawal Petitions

Kevin Hall presented one annexation petition to be certified by the Board. The ownership of Singletree Acres, a 10 acre residential development in Weber County, has petitioned for annexation into the District. Central Weber management has verified that the petitioner is the owner of the development.

Trustee VanLeeuwen asked how many residential lots are included in this development. Mr. Hall responded that he did not have those details.

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

That the Annexation Petition for the Singletree Acres property in Weber County be certified.

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

Consideration of Annexation Approvals

Kevin Hall presented the following annexation approval Resolution for consideration by the Board:

Resolution 2023-20, Blackpine/Hancock - a 24 acre development planned for light industrial and warehouse use associated with the Promontory Point Development in Weber County.

It was moved by Trustee Hyer and seconded by Trustee Blair as follows:

That Resolution 2023-20, the Annexation Approval Resolution for the Blackpine/Hancock property, be adopted and approved.

The motion carried by roll call vote with Trustees Allen, Berube, Blair, Call, Fowers, Hyer, Froerer, Mitchell, Porter, Tait, VanLeeuwen, and Vanderwood voting in the affirmative.

Consideration of Weber Basin Water Conservancy District Request

Trustee Blazzard entered the Board room.

Kevin Hall introduced Jon Parry as the presenter for this agenda item. Scott Paxman and Darren Hess were also present.

Jon Parry mentioned that Darren Hess presented information to the Board regarding a potential wastewater reuse project a couple of years ago. It has developed into a different project that is to be undertaken by Weber Basin with much less collaboration necessary between the two Districts. Weber Basin is pursuing this project due to its mission to keep up with a growing demand for water. Mr. Parry displayed slides and provided background information on Weber Basin's studies and efforts to date, including a Drought Contingency Plan, a Reuse Feasibility Study, a Pilot Study, and water conservation efforts. In 2022, the Bureau of Reclamation approved a grant to Weber Basin that will cover about 25% of the cost of the reuse facility. Initially, this project was to be a collaboration but, as the timeline moved on, there became clear that there would be a stand-alone water reuse treatment facility built and operated by Weber Basin.

Trustee Froerer asked about the location of the proposed treatment facility? Mr. Parry responded that several sites in close proximity to the Central Weber wastewater treatment plant are under consideration, and Weber Basin will select the site that works best. Trustee Porter asked how this will affect the Great Salt Lake? Mr. Parry responded that the project will add resilience to the water supply. Weber Basin has instream flow requirements and strong conservation programs that will help meet water demands during drought years. Trustee Hyer, who is on the Central Weber Long-Range Planning Committee, mentioned that he and Kevin Hall have tried to speak with Brian Steed, the recently appointed Great Salt Lake Commissioner, but have not been able to reach him. Trustee Hyer is interested in his opinion regarding the effect this project will have on the Great Salt Lake. Mr. Parry stated that we are all interested in trying to work together to meet the needs of our environment and the public. Two questions were asked: "What is the request from Weber Basin to Central Weber?" and "Is this something that needs to be decided tonight?" The response was that Weber Basin is pursuing conditional approval from state agencies and is requesting that Central Weber sign a letter that states an understanding of and support for the project.

After reviewing of the letter, the Central Weber Board can sign off on the request and Weber Basin can take action. Trustee Call asked who owns the water? The water is Weber Basin federal project water. Attorney Mark Anderson stated that third parties have filed on the right to Central Weber's effluent, but that Central Weber has never filed on the effluent. Regarding the application of recent state laws that prohibit certain diversions of water away from the Great Salt Lake, Mr. Parry stated that this project would be exempt because it is federal project water, which was confirmed by Mr. Anderson.

Several Trustees stated that the letter should include an indemnification for Central Weber from any liability resulting from and concerning the reuse project. Kevin Hall asked Jon Parry if the Department of Water Quality has acknowledged that the draft letter is acceptable and sufficient?

Mr. Parry responded in the affirmative, but stated that the letter may need more work. Kevin will share the draft letter with Mark Anderson for his review and comment, including regarding an indemnification. A draft letter will be presented to the Trustees for their review prior to the Board meeting during which action may be taken, which may be the December Board meeting.

In response to a question from Chairman Allen, Mr. Parry said that 10 MGD (million gallons per day) may be treated for reuse during five cold weather months each year.

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

That consideration of the Weber Basin Water Conservancy District request be tabled until a future date when more information is available.

The motion carried by the affirmative vote of Trustees Allen, Berube, Blair, Blazzard, Call, Fowers, Hyer, Froerer, Mitchell, Porter, Tait, VanLeeuwen, and Vanderwood.

Trustee Hyer asked if the Board could have the slides that were presented by Weber Basin. Mark Anderson said that all of the information is now public because it was presented during an open Board meeting. James Dixon will send out the information to the Trustees. Trustee Hyer once again asked District staff to make an effort to get Brian Steed's feedback regarding this project.

Consideration of Personnel Committee Recommendations

Mr. Hall and Trustee Tait presented the following:

On October 25, 2023 the Personnel Committee met to review progress and challenges regarding District staffing and to develop recommendations for the Board's consideration. Appreciation was expressed to those who participated in the meeting, including Trustees Michelle Tait (Committee Chair), Mark Allen (Board Chair), Braden Mitchell, and Leonard Call. The Committee received a status report from Kevin Hall and Camille Cook that included updates on retention, recruitment, and staff training. General employment market trends were discussed, including inflation and a market wage survey.

Mr. Hall told the Board that retention has been a challenge this year, and showed slides that presented operational comparisons between other districts and CWSID. Trustee Berube asked why CWSID is so much more efficient, compared to other districts, and if investment in capital projects helps to maintain that efficiency. Mr. Hall responded that, in addition to consistent efforts to maintain efficiency, the District has made efforts to contract out some work when it is cost effective. Mr. Hall also said that being too labor efficient may be an issue that the District will need to address in the future when it will be necessary to hire more employees, which is especially difficult with retention being as problematic as it has been this year. It has been the District's experience that capital investments do help enhance efficiency for a short time because new equipment requires less maintenance. However, that may not be the reason for CWSID's efficiency, because the other facilities have also made similar capital investments.

Mr. Hall explained that, over the past five years, the District has had an attrition rate of 11%. In 2023, the attrition rate increased to 20%. The cost of hiring and training new employees is between \$8,000 and \$12,000 per employee. Mr. Hall reported that 2/3 of the District's attrition

involves rotating operator employees. He stated that, when an employee leaves, an exit interview is conducted. During those meetings, employees are asked why they are leaving. A summary of some of the responses were: it made more financial sense to retire; the employee accepted a job that doesn't involve night shift work; there was no room to advance at CWSID; a different career offered better future pay potential; and the new job would involve less responsibility, no night shift work, and better pay. Some remaining employees have expressed "burn out" from having to cover when others leave. The District tries to be aware of these issues, and to make improvements. A plan of action has been developed and implemented to help remedy these issues.

Ms. Cook presented a market conditions slide showing the District's COLA (cost of living adjustment) history for the past four years. If the District approves a 4.5% COLA this year, it would bring the District's total overall COLA to 11% in that timeframe. This increase in wages would not put District employees above the average wages reflected in the market surveys conducted by District staff. Trustee Berube questioned the presentation of the wage increases because it did not include merit based increases. He was advised that merit increases are separate from COLA, and not all employee's receive the same merit increases. Trustee Berube stated that CWSID needs to pay market rate wages or even slightly above the average market rate. Mr. Hall calculated the average wage increases paid to CWSID employees, and found that the District is still paying less than average based on a market survey. Trustee Froerer asked if the annual merit increase was 4%? Mr. Hall responded in the affirmative, but explained that the amount an individual employee may receive is based on performance and, while the average is 4%, some employees receive more than a 4% raise and some employees receive less, based upon performance and merit. Trustee Froerer would like to see a market study by job position.

Trustee Tait suggested that the discussion move on to a detailed explanation of the overall action plan. Mr. Hall reviewed the District's organization chart. The Plant Superintendent oversees 18 employees. It is recommended that a supervisor only manage 5 to 7 employees. District management recommended an additional level of supervision, with up to three new supervisory positions to be filled by promotions from within the District's current employees.

The following three items were discussed with the Board:

1. Management staff will undertake an adjustment to the organization, resulting in a more balanced supervisory approach.
2. Implementation of a night-shift differential to motivate Operations coverage of night shifts and incentivize those employees who cover those shifts.
3. If authorized by the Board, management will implement a 4.5% cost of living adjustment for all employees, effective in December of 2023.

Trustee Hyer commented that a night-shift differential would be a game changer for retaining the District's rotating operators, and the COLA increase will keep CWSID even with the other Districts.

Trustee Berube mentioned that he would like the 960 hour accrual for sick time to be addressed for new hires. Trustee Berube then left the Board meeting – (it was his birthday!).

Trustee Tait reminded the Trustees that a 4.5% cost of living increase was included in the adopted Budget.

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

That the Personnel Committee recommendations be approved and that management staff be authorized to utilize the “miscellaneous” payroll category in the FY 2024 Budget to implement a 4.5% cost of living adjustment payroll increase to CWSID employees, to be effective the first pay period in December of 2023.

The motion carried by the affirmative vote of Trustees Allen, Blair, Blazzard, Call, Fowers, Hyer, Mitchell, Porter, Tait, VanLeeuwen, and Vanderwood. Trustee Froerer voted “nay”.

Consideration of Policies and Procedures Manual Updates

Mr. Hall presented proposed modifications to the Policies and Procedures Manual. The recommended policy modifications include the following:

An electronic copy of the Policies will be available for employees to review. A specific payroll change authorization form will not be needed, but documentation will be required. Sick leave will accrue at a rate of 4 hours for each pay period and sick leave can be used in 15 minute increments. These changes will update the Policies to reflect the payroll change from bi-monthly to bi-weekly pay periods. Health insurance qualifications will be updated to reflect that full-time employees are covered, without a reference to working 40 hours per week, to be consistent with the definition of “full-time” in an earlier section of the Policies. Accidents are to be reported immediately, and other language in the Policies will be updated to be consistent with the District’s understanding of applicable employment law. The clothing allowance will be increased from \$150 to \$200 annually. The amount of the allowance was last changed in 2015, and the annual stipend is proposed to be updated to keep up with inflationary costs. Trainings held at the District office will not need to be established or conducted through an employee committee, and other policy language was proposed to be updated to reflect current practices.

Under Safety Policies, Section 10.4.4, the drivers license section was updated to reflect that the suspension of a drivers license is to immediately be reported to a supervisor. Trustee Hyer asked if there would be a penalty for failure to report a drivers license revocation or suspension. Trustee Tait suggested adding a disciplinary action to that Section of the Policies. Mr. Anderson advised the Board that the District could add the failure to report a drivers license revocation, which may result in discipline, to the list of inappropriate behaviors, which Kevin Hall thought was in Section 9 of the Policies and Procedures.

Mr. Anderson reminded the Trustees that an annual review of the Personnel Policies is required by state law.

Mr. Hall advised the Board that staff personnel conducted surveys of other districts regarding the accumulation of sick leave. Most districts allow the accumulation of significantly less than 960 hours for short term disability coverage. CWSID does not currently pay for short term disability coverage. That is a trade-off, and possibly a future discussion for the Personnel Committee.

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

That the Policies and Procedures Manual revisions be approved as presented and discussed.

The motion carried by the affirmative vote of Trustees Allen, Blair, Blazzard, Call, Fowers, Hyer, Froerer, Mitchell, Porter, Tait, VanLeeuwen, and Vanderwood.

Consideration of Real Property Proposals

Mr. Hall recommended that the Board go into a closed meeting to discuss the real property proposals.

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

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

That the board go into a closed meeting to discuss real property proposals (the purchase and/or sale of real property).

The motion carried by the affirmative vote of Trustees Allen, Blair, Blazzard, Call, Fowers, Hyer, Froerer, Mitchell, Porter, Tait, VanLeeuwen, and Vanderwood.

Chairman Allen asked members of the public to step out of the Board room and invited District staff members Kevin Hall, Camille Cook, Paige Spencer, James Dixon and Mark Anderson to remain in the closed meeting with Trustees Allen, Blair, Blazzard, Call, Fowers, Hyer, Froerer, Mitchell, Porter, Tait, VanLeeuwen, and Vanderwood.

Chairman Allen declared the meeting to be closed at 6:20 p.m.

Chairman Allen declared the meeting to again be open at 6:50 p.m. and the doors to the Board room were opened so members of the public could re-enter. No action was taken during the closed portion of the meeting, other than the approval of a motion to end the closed meeting and return to open session.

General Manager

Mr. Hall reminded the Trustees of the upcoming Christmas dinner scheduled for December 2nd at 6:00 p.m. at Ruby River Steakhouse. The CWSID Audit Committee is scheduled to meet on December 6th at 2:30 p.m.

Attorney

Mr. Anderson had no additional business to present.

Other Business

None.

Adjournment

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

That the Board meeting be adjourned.

The motion carried by the affirmative vote of Trustees Allen, Blair, Blazzard, Call, Fowers, Hyer, Froerer, Mitchell, Porter, Tait, VanLeeuwen, and Vanderwood.

Chairman Allen declared the meeting to be adjourned at 6:51 p.m.

Approved by the Board of Trustees of the Central Weber Sewer Improvement District on the 11th day of December, 2023.

Mark C. Allen, Chairman

ATTEST:

Camille Cook, Clerk