

MINUTES OF THE MEETING OF THE TRUSTEES  
OF THE CENTRAL WEBER SEWER IMPROVEMENT DISTRICT (CWSID)  
HELD MONDAY, MAY 15, 2023, AT THE DISTRICT OFFICE  
LOCATED AT 2618 WEST PIONEER ROAD, MARRIOTT-SLATERVILLE, UTAH.

**Trustees Present:** Mark Allen, Neal Berube, Bart Blair, Leonard Call, Dale Fowers, Rich Hyer, Gage Froerer, Braden Mitchell, Russ Porter, Michelle Tait, Scott Van Leeuwen, Rob Vanderwood, and Rod Westbroek

**Trustees Excused:** Josh Blazzard and Mike Caldwell

**Others Present:** Kevin Hall, Camille Cook, James Dixon, Paige Spencer, Shawn Wilson, Lance Smith, Mark Campbell, Cole Tubbs, Mark Anderson, and Ryan Bench (Carollo Engineers)

**Call to Order:**

Chairman Allen called the meeting to order at 5:01 p.m.

The pledge of allegiance was led by Trustee Call.

The invocation was offered by Trustee Froerer.

Trustee Porter entered the Board room.

**Public Comment:**

There were no public comments.

Mark Allen welcomed the CWSID employees who were in attendance and Kevin Hall introduced employees Lance Smith, Mark Campbell, and Cole Tubbs. These employees participated as part of the District's Operator Challenge team that took 2nd place overall at the WEAU (Water Environment Association of Utah) Annual Conference in St. George, Utah. Lance Smith also was recognized as the Outstanding Maintenance Specialist in the State of Utah. The Trustees congratulated the team on their awards.

**Minutes of April 17, 2023 Board Meeting Approval:**

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

**That the April 17, 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, Van Leeuwen, 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 April 2023 Check Register, which is an itemized list of all payments made by the District during April, in the total amount of \$2,929,311.80.

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

**That the April 2023 Check Register be ratified and approved as presented in the total amount of \$2,929,311.80.**

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

**Project Updates of Major Capital Projects:**

James Dixon presented information on the capital projects that are under construction, starting with the Industrial Park Pump Station Project. The total invoice amount for work on the Project completed during April was \$65,130.40. It was the first invoice the Board has reviewed for this Project. Whitaker Construction anticipates completing the Project in September.

Gerber Construction presented a payment application for services on the Phase 2 Expansion and UV (ultraviolet light) Disinfection Project completed in April, in the total amount of \$1,503,959.00, less retainage.

C&L Solutions presented an invoice for services performed in April on the Hooper Pipe Rehabilitation Phase 1 Project in the amount of \$498,291.08. C&L has made good progress, but experienced issues this spring while attempting to pump excess water, which caused work on the Project to temporarily be placed on hold. Under the circumstances, a no-cost Change Order is being issued to extend the Project completion date. C&L Solutions will not charge the District any additional fees for the delay or re-mobilization of the pumps.

**Certification of Annexation/Withdrawal Petitions:**

Kevin Hall presented one Annexation Petition to be certified:

- The Corporation of the Presiding Bishop of the Church of Jesus Christ of Latter-Day Saints - a 2 acre lot in Taylor for a seminary building adjacent to the new West Field High School.

Mr. Hall recommended Board certification of the Petition. Trustee Berube asked if impact fees have been paid for the West Field High School and a new elementary school. Mr. Hall explained that the seminary building is separate from the West Field High School, and an appropriate impact fee must be paid by the owner of the seminary property.

The Trustees asked questions regarding the impact fees for the West Field High School, and whether the impact fees have been collected. Mr. Hall advised the Board that the impact fee will be collected by Weber County prior to the County issuing a building permit. The Board has not waived the impact fees for new schools.

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

**That the Annexation Petition presented by the Corporation of the Presiding Bishop of the Church of Jesus Christ of Latter-Day Saints for 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, Van Leeuwen, Vanderwood, and Westbroek.

## **Review and Consideration of the FY 2024 Tentative Budget:**

Camille Cook presented the FY 2024 Tentative Budget. Preparation of the budget was a collaborative effort, with input and teamwork from District staff to review budgetary needs and projections. The Board previously reviewed the payroll, benefits and capital projects portions of the Tentative Budget, along with the 5-year Financial Plan.

Ms. Cook advised the Board that the FY 2024 Tentative Budget includes \$29,201,000 in operating revenues. A proposed 5% service fee increase and an 8% property tax increase have been included in the Tentative Budget, based on the adopted 5-year Financial Plan that was approved by the Board in February. The Budget also includes \$39,637,000 in non-operating revenues, including a proposed \$35,000,000 bond as previously discussed, to finance ongoing capital projects. The Capital Projects Budget totals \$65,907,000, which includes a carryover of funds originally budgeted in FY 2023 for sewage treatment plant growth and expansion projects. The FY 2024 Operating Budget totals \$9,006,000, which is an increase of 8.36% compared to the FY 2023 Budget. General inflation has contributed to increases in the Operating Budget, especially the cost of utilities and chemicals. The payroll and benefits portion of the Budget includes an additional full-time employee, to bring total full-time employees to 34. Even after adding a new employee, the District will still be, by a significant margin, the most efficient sewage treatment plant in the state based on employees per million gallons of wastewater treated per day. Bond interest and principal payments are estimated in the Budget to total \$12,775,000, and miscellaneous expenses of \$740,000 are also included in the Tentative Budget.

Ms. Cook explained that CWSID expects to receive the certified property tax rate from the Counties in early June. Projections indicate that an 8% property tax increase, combined with new growth, would yield approximately \$11,779,000 in property tax revenue for FY 2024. More information will be presented during the June 12<sup>th</sup> Board meeting regarding the certified tax rate and the Board's intent to increase property taxes above the certified rate and hold a truth-in-taxation public hearing.

When the Board approved the 5-year Financial Plan in February, the need for the issuance of additional bonds to complete the planned capital projects was discussed. The Board asked District staff to take into consideration current market conditions prior to recommending bonding. Ms. Cook explained that staff has worked with the District's financial advisor and considered market conditions as well as the current cash needs of the District. The District is currently earning a higher interest rate on the cash it has in the PTIF (Public Treasurers Investment Fund) administered by the Utah State Treasurer than the anticipated bond interest rate, based on current market rates. Based on this unique market condition, and considering known upcoming capital costs, District staff recommended that it would be prudent to consider bonding this summer, which could allow the District to continue to earn a higher interest rate on the cash in the PTIF and use debt first to pay for upcoming capital projects. The June Board meeting will include a presentation and proposed Bond Parameters Resolution for consideration by the Board.

Trustee Berube recommended that the bond parameters discussion include information on bond interest rates now, versus waiting until year-end to issue bonds. Trustee Froerer requested that staff calculate the anticipated property tax increase for an average residence in the District once the certified tax rate has been received from the Counties. Trustee Berube also suggested that

District staff watch the impact fee revenue throughout the year to ensure that budgeted impact fee revenue projections are as accurate as reasonably possible.

Ms. Cook summarized the timing of consideration and adoption of the Budget, and actions that are required. District management recommended that the Board consider tentatively adopting the FY 2024 Tentative Budget. In June, District staff will present additional information regarding increasing the property tax rate after holding a truth in taxation public hearing. Management also recommended that the Board hold a public hearing on June 12, 2023 at 6:00 p.m. to consider adoption of the FY 2024 Budget. This will allow the District to have an operational budget in place by July 1<sup>st</sup>, even if the Board should decide to set a public hearing to consider going through the truth-in-taxation process to increase the property tax rate. Ms. Cook recommended holding a truth in taxation hearing in August.

Mark Anderson advised the Board to include the proposed fee increases, effective on July 1<sup>st</sup>, as part of the public hearing to be held on June 12<sup>th</sup>, during which the FY 2024 Budget will also be discussed.

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

**That the FY 2024 Tentative Budget be tentatively adopted.**

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

**Set a Public Hearing to Consider Approval of the FY 2024 Tentative Budget:**

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

**That a public hearing be held on June 12, 2023 at 6:00 p.m. to consider approval of the FY 2024 Tentative Budget and proposed service fee increases.**

The motion carried by the affirmative vote of Trustees Allen, Berube, Blair, Call, Fowers, Hyer, Froerer, Mitchell, Porter, Tait, Van Leeuwen, 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:**

Kevin Hall had no other business to discuss.

**Attorney:**

Mark Anderson proposed that the 2023 Legislative Session be discussed during a later Board meeting.

**Other Business:**

Trustee Berube asked if there will be a discussion of the proposed Weber County sewer outfall pipeline. Trustee Hyer responded that a list of conditions were presented to the other involved entities based on a discussion by the Long Range Planning Committee. Mr. Hall reported that there have been discussions with Weber County, but not all of the District's conditions were accepted. A discussion of the outfall line may be an agenda item for the June Board meeting when, hopefully, a resolution regarding the proposed terms and conditions can be presented to the Trustees. In response to a request from Trustee Berube, Mr. Hall agreed to send the discussion points to the Trustees prior to the next Board meeting.

The Trustees were reminded that June 12th is the date of the next Board meeting, which is one week earlier than usual.

Trustee Vanderwood asked about the purchase of real property that was discussed during prior Board meetings. Mr. Hall responded that the landowner declined the District's offer and reportedly has entered into a purchase and sale contract with another party.

**Adjournment:**

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

**That the Board meeting be adjourned.**

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

Chairman Allen declared the meeting to be adjourned at 5:35 p.m.

Approved by the Board of Trustees of the Central Weber Sewer Improvement District on the 12<sup>th</sup> day of June 2023.

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Mark C. Allen, Chairman

ATTEST:

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Camille Cook, Clerk