

MINUTES OF THE MEETING OF THE TRUSTEES
OF THE CENTRAL WEBER SEWER IMPROVEMENT DISTRICT
HELD MONDAY, NOVEMBER 15, 2021 AT THE DISTRICT OFFICE
LOCATED AT 2618 WEST PIONEER ROAD, MARRIOTT-SLATERVILLE, UTAH.

Trustees Present: Mark Allen, Neal Berube, Bart Blair, Sharon Bolos, Mike Caldwell, Leonard Call, Lee Dickemore, Dale Fowers, Rich Hyer, Scott Jenkins, Russ Porter, Jo Sjoblom, Michelle Tait and Scott Van Leeuwen

Trustee Excused: Norm Searle

Others Present: Kevin Hall, John Cardon, James Dixon, Mark Anderson, Shawn Wilson, Paige Spencer, Ryan Bench, Bryan Bayless, Steve Anderson, Brad Brown, Ed Gramp, Jared Anderson, Braedon Mitchell, Gary Meyer, Chad Meyerhoffer, Boyd Ferrin.

Call to Order:

The meeting was called to order at 5:00 p.m. by Chairman Allen.

The pledge of allegiance was led by Trustee Tait.

The invocation was offered by Trustee Fowers.

Public Comment:

There were no public comments.

Minutes of October 18, 2021 Board Meeting Approval:

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

That the October 18, 2021 Board meeting minutes be approved as presented.

The motion carried by the affirmative vote of Trustees Allen, Berube, Blair, Bolos, Call, Dickemore, Fowers, Hyer, Jenkins, Porter, Sjoblom, Tait and Van Leeuwen.

Ratification of Vouchers:

John Cardon recommended ratification of the vouchers, which is a list of all checks and ACH payments issued during the month of October, 2021. Following a brief review, it was moved by Trustee Dickemore and seconded by Trustee Jenkins as follows:

That the payment of vouchers issued during the month of October, 2021, in the total amount of \$1,288,386.50, be approved and ratified as presented.

The motion carried by the affirmative vote of Trustees Allen, Berube, Blair, Bolos, Call, Dickemore, Fowers, Hyer, Jenkins, Porter, Sjoblom, Tait and Van Leeuwen.

Consideration of Pay Requests & Equipment Purchases:

James Dixon presented three payment requests for consideration by the Board:

1. Carollo Engineers, Inc. requested a payment of \$133,534.88 (no retainage withheld) for work on the Phase II Expansion Project.

Mr. Dixon recommended approval of the Carollo Engineers payment request.

It was moved by Trustee Dickemore and seconded by Trustee Jenkins as follows:

That the payment request from Carollo Engineers, Inc. be approved for payment as presented in the total amount of \$133,534.88.

The motion carried by the affirmative vote of Trustees Allen, Berube, Blair, Bolos, Call, Dickemore, Fowers, Hyer, Jenkins, Porter, Sjoblom, Tait and Van Leeuwen.

2. Carollo Engineers, Inc requested a payment of \$214,349.65 (no retainage withheld) for work on the UV Disinfection System.

Mr. Dixon recommended approval of the Carollo Engineers payment request.

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

That the payment request from Carollo Engineers, Inc. be approved for payment as presented in the total amount of \$214,349.65.

The motion carried by the affirmative vote of Trustees Allen, Berube, Blair, Bolos, Call, Dickemore, Fowers, Hyer, Jenkins, Porter, Sjoblom, Tait and Van Leeuwen.

3. Nelson Brothers Construction requested a payment of \$227,427.40 for work on the Drying Bed Rehab Project. Of the total amount, \$11,371.37 (5%) is to be deposited into a retainage account, resulting in a net payment to Nelson Brothers Construction of \$216,056.03.

Mr. Dixon recommended approval of the Nelson Brothers Construction payment request.

It was moved by Trustee Dickemore and seconded by Trustee Sjoblom as follows:

That the payment request from Nelson Brothers Construction be approved for payment as presented in the total amount of \$227,427.40, less a 5% retainage.

The motion carried by the affirmative vote of Trustees Allen, Berube, Blair, Bolos, Call, Dickemore, Fowers, Hyer, Jenkins, Porter, Sjoblom, Tait and Van Leeuwen.

Consideration of Engineering Services for Hooper Lining Project:

James Dixon explained that the proposal was received too late to be reviewed before the Board meeting. It was suggested that consideration of this project be tabled until the December 20, 2021 Board meeting.

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

That consideration of engineering services for the Hooper Lining Project be tabled until the December 20, 2021 Board Meeting.

The motion carried by the affirmative vote of Trustees Allen, Berube, Blair, Bolos, Call, Dickemore, Fowers, Hyer, Jenkins, Porter, Sjoblom, Tait and Van Leeuwen.

Certification of Annexation/Withdrawal Petitions:

Kevin Hall explained the planning and review process that occurs prior to an annexation. The District's Master Plan typically is updated every five years. The District makes assumptions when developing and updating the Master Plan, including identifying areas that are likely to be annexed in the future. When annexation petitions and will serve letter requests are received, they are reviewed for compatibility with the Master Plan, and current wastewater flow observations are considered.

Mr. Hall suggested that the annexation petitions be discussed and considered one at a time. He then presented the Annexation Petition for the Riverbend Subdivision, which is a development of 72 acres located in unincorporated Weber County (Taylor). The proposed development will include approximately 100 residential units. The property is located on the west side of the river, across from the District's pump station, and is in the area identified in the Master Plan to be annexed. There is sufficient sewer system capacity to serve the area.

Attorney Mark Anderson was asked what the certification of an annexation petition by the Board entails. Mr. Anderson responded that, when the Board certifies a petition, the Board is certifying that the petition is correct as to form and satisfies legal requirements stated in the Utah Code, but the certification does not commit the Board to approve the annexation. Approval of an annexation Resolution will be considered during a later meeting of the Board, which provides District staff time to review the certified petition and recommend to the Board whether or not the property should be annexed into the District.

Trustees Van Leeuwen, Jenkins and Call asked about the capacity of the trunk line that would serve the proposed subdivision. The trunk line has a capacity of 12 million gallons of wastewater per day (MGD) and a projected peak flow of around 5 MGD. The area was identified as a potential annexation area in the current Master Plan.

Trustee Caldwell entered the Board room.

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

That the landowner Annexation Petition for the Riverbend Subdivision be certified.

The motion carried by the affirmative vote of Trustees Allen, Berube, Blair, Bolos, Caldwell, Call, Dickemore, Fowers, Hyer, Jenkins, Porter, Sjoblom, Tait and Van Leeuwen.

Kevin Hall presented an annexation petition from Nilson Homes. Mr. Hall advised the Board that it was assumed in the District's current Master Plan that this area (now called JDC Ranch) would be served by Plain City. Central Weber's sewer main line in this area does,

however, have 9 MGD of capacity and, currently, the peak wastewater flow during dry weather is only 2 MGD. Mr. Hall reminded the Trustees that Farr West City has requested special consideration of capacity issues under the Master Plan before approving this annexation. There was a discussion about possibly identifying this area in the District's new Master Plan as an area that could be served by the District. The discussion covered a number of issues and concerns, including the need to select an engineering firm to work on the Master Plan, the timing of the issuance of will serve letters, and sewer system capacity for use in the future. The Board may certify the annexation petition without any commitment to approve the annexation.

Kevin Hall stated that representatives of the developer requested permission to say a few words about the development. It was agreed that the Trustees would like more information on this project before to the next Board meeting. Chairman Allen recognized Bryan Bayless of Nilson Homes, who presented statistics on the project, which is planned to include approximately 650 residential units and 10 commercial units. Trustee Call requested that the Nilson Homes slides and information be sent to the Trustees. Mr. Bayless and Kevin Hall agreed to email the slides to the Trustees.

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

That the landowner Annexation Petition for the JDC Ranch be certified.

The motion carried by the affirmative vote of Trustees Allen, Berube, Blair, Bolos, Caldwell, Call, Fowers, Hyer, Jenkins, Porter, Sjoblom, and Tait. Trustees Dickemore and Van Leeuwen voted against the motion.

Kevin Hall presented the annexation petition for the Weber Vista Subdivision. He explained that the Weber Vista Subdivision, which is located north of the proposed JDC Ranch, contains 19.5 acres and will include approximately 80 residential units. The Weber Vista Subdivision would access the sewer system through the JDC Ranch. This land is similar to the JDC Ranch relative to prior planning. Brad Brown, the petitioner, advised the Board that wastewater from this property could be gravity fed into the District's pump station. Kevin Hall explained that, as proposed, this development and the JDC Ranch would connect to the District's new North Area Trunkline.

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

That the landowner Annexation Petition for the Weber Vista Subdivision be certified.

The motion carried by the affirmative vote of Trustees Allen, Berube, Blair, Bolos, Caldwell, Call, Fowers, Hyer, Jenkins, Porter, Sjoblom, Tait and Van Leeuwen.

Consideration of Annexation Approvals:

Kevin Hall explained that three annexations were ready for Board approval. He advised the Board that all of these properties are included in the District's current Master Plan.

Mr. Hall first presented Resolution 2021-19, the adoption of which will approve the annexation of Ali Farms into the District. It was moved by Trustee Hyer and seconded by Trustee Bolos as follows:

That Resolution 2021-19 be adopted, thereby approving the annexation of the subject real property into the District.

The motion carried, using a roll call vote, by the affirmative vote of Trustees Allen, Berube, Blair, Bolos, Caldwell, Call, Dickemore, Fowers, Hyer, Jenkins, Porter, Sjoblom, Tait and Van Leeuwen.

Mr. Hall presented Resolution 2021-20, which will approve the annexation of Staker Farms into the District. It was moved by Trustee Jenkins and seconded by Trustee Sjoblom as follows:

That Resolution 2021-20 be adopted, thereby approving the annexation of the subject real property into the District.

The motion carried, using a roll call vote, by the affirmative vote of Trustees Allen, Berube, Blair, Bolos, Caldwell, Call, Dickemore, Fowers, Hyer, Jenkins, Porter, Sjoblom, Tait and Van Leeuwen.

Mr. Hall presented Resolution 2021-21, which will approve the annexation of Smart Fields into the District. It was moved by Trustee Hyer and seconded by Trustee Porter as follows:

That Resolution 2021-21 be adopted, thereby approving the annexation of the subject real property into the District.

The motion carried, using a roll call vote, by the affirmative vote of Trustees Allen, Berube, Blair, Bolos, Caldwell, Call, Dickemore, Fowers, Hyer, Jenkins, Porter, Sjoblom, Tait and Van Leeuwen.

Consideration of West Weber County Corridor:

Trustee Jenkins introduced Jared Anderson from Sunrise Engineering. Mr. Anderson has been looking into the wetlands and the options to provide sewer service to the West Weber Corridor. Trustee Jenkins mentioned that the West Weber Corridor expansion will be included in the District's new Master Plan. A large food processing company that would provide many jobs is interested in the area. Two options are being considered for providing sewer service to the area: 1. Randy Marriott would like to take the processed water (which is light in nitrates), put it on his agricultural land, and build a lagoon in the unincorporated County. 2. Build a new sewer trunkline to transport the wastewater to the District. The State is willing to provide ten million dollars in ARPA funds and Weber County would provide five million dollars of additional funds to help with the expansion of sewer service to the west. An analysis of the cost to provide sewer service to this area will be presented during the December Board meeting.

Trustee Jenkins informed the Board that this is a fast-moving project that could provide future revenue to the District. If the Board agrees to the expansion of Central Weber's trunkline, it would allow for additional growth to the West.

Kevin Hall explained that this trunkline would add additional flow to the District's collection and treatment systems. Chairman Allen asked where the West Weber Corridor trunkline would connect into the existing outfall line. Mr. Hall responded that the connection would be in the vicinity of 900 South and 4100 West, and that Central Weber would likely need to upgrade existing District facilities. The current pump station average flow is 5 MGD with a total capacity of 12 MGD. The question the Board needs to consider is "does the District want to participate in the construction of the outfall line, which could cost in excess of twenty million dollars?" Trustee Jenkins asked if Central Weber wants to be a part of this project.

Trustee Hyer suggested that the Board consider approving the concept. Trustee Berube challenged Trustee Jenkins to apply for more State funding for the project.

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

That the Board consider, in concept, the approval of the West Weber Corridor Project for further study, with management to investigate and negotiate and bring a possible recommendation for consideration by the Board.

The motion carried by the affirmative vote of Trustees Allen, Berube, Blair, Bolos, Caldwell, Call, Dickemore, Fowers, Hyer, Jenkins, Porter, Sjoblom, Tait and Van Leeuwen.

Review and Consideration of the 2022 Tentative Budget:

John Cardon reviewed the District's 2022 Tentative Budget with the Trustees. The Budget includes proposed wholesale and retail service fee and septic hauler fee increases of 10%. These fee increases are scheduled to go into effect on July 1, 2022, which is the date most of the District's wholesale customers begin their new fiscal years. The 2022 Budget also includes a property tax rate increase from 0.000503 to 0.000600, which is a 19.28% increase. The increased property tax rate is estimated to provide \$1,623,111 of additional property tax revenue in 2022. The proposed increases are needed to provide funds to cover operating expenses and to help pay for treatment plant expansion and collection system projects. Projected 2022 revenues total \$29,693,000, which represents a 9.93% increase over 2021.

Trustee Bolos left the Board room.

Budgeted 2022 operating expenses total \$7,899,000, which is a 1.10% increase over the 2021 Budget. No additional wage adjustments are included in the Budget. The Budget includes increases of \$150,000 for electricity (caused by the closure of the co-gen facility), \$155,000 for chlorine and \$85,000 for polymer (due to price increases). Mr. Cardon explained that two large expense decreases, \$210,000 for bond issuance costs and \$110,000 for liability insurance, partially offset anticipated cost increases.

Bond debt interest will be \$4,642,000 and bond principal payments will total \$6,150,000 in 2022. Capital projects are budgeted to cost \$21,010,000. The 2022 Budget is projected to reduce available cash by \$10,753,000.

Fees charged to the District's wholesale customers (a number of municipalities, Weber County, one special service district and one local district) are poised to be 10% higher as of July 1, 2022. However, when the contractual allocation formula is used to calculate each wholesale customer's share of costs, there will be adjustments, both up and down, based on growth and assessed property values in each wholesale customer's service area.

There being no questions, it was moved by Trustee Porter and seconded by Trustee Jenkins as follows:

That a 10% increase in service fees and septic hauler fees, starting July 1, 2022, along with a 19.28% property tax rate increase, be reflected in the 2022 Tentative Budget, and that the 2022 Tentative Budget be tentatively adopted as presented.

The motion carried by the affirmative vote of Trustees Allen, Berube, Blair, Caldwell, Call, Dickemore, Fowers, Hyer, Jenkins, Porter, Sjoblom, Tait and Van Leeuwen.

Set a Public Hearing to Consider Approval of the Budget & Increases for Service Fees & Septic Hauler Fees:

John Cardon reminded the Board that a public hearing to consider the property tax rate increase has already been scheduled on December 20, 2021 at 6:00 p.m.

Mark Anderson informed the Trustees that the public hearing to consider the 2022 Budget and proposed service fee and septic hauler fee increases can be combined with the public hearing on the proposed property tax rate increase.

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

That a public hearing be scheduled on December 20, 2021, starting at 6:00 p.m., to consider the 2022 Tentative Budget, proposed increases in the District's wholesale and retail service fees and septic hauler fees, and the proposed property tax rate increase.

The motion carried by the affirmative vote of Trustees Allen, Berube, Blair, Caldwell, Call, Dickemore, Fowers, Hyer, Jenkins, Porter, Sjoblom, Tait and Van Leeuwen.

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

There was no need to close the meeting.

General Manager:

Mr. Hall reminded the Trustees that they should sign papers dealing with the disclosure of private business interest, ethical behavior, and annual Board member training before leaving the Board meeting. Also, a RSVP was requested for the Board holiday party.

Attorney:

Mark Anderson had no additional comments.

Other Business:

None.

Adjournment:

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

That the Board meeting be adjourned.

The motion carried by the affirmative vote of Trustees Allen, Berube, Blair, Caldwell, Call, Dickemore, Fowers, Hyer, Jenkins, Porter, Sjoblom, Tait and Van Leeuwen.

Chairman Allen declared the meeting to be adjourned at 7:01 p.m.

Approved by the Board of Trustees of the Central Weber Sewer Improvement District this 20th day of December, 2021.

Mark C. Allen, Chairman

ATTEST:

John Cardon, Clerk