

MINUTES OF THE MEETING OF THE TRUSTEES
OF THE CENTRAL WEBER SEWER IMPROVEMENT DISTRICT (CWSID)
HELD MONDAY, APRIL 17, 2023, AT THE DISTRICT OFFICE
LOCATED AT 2618 WEST PIONEER ROAD, MARRIOTT-SLATERVILLE, UTAH.

Trustees Present: Mark Allen, Neal Berube, Josh Blazzard, Mike Caldwell, Leonard Call, Rich Hyer, Gage Froerer, Braden Mitchell, Russ Porter, Michelle Tait, Scott Van Leeuwen, Rob Vanderwood, and Rod Westbroek

Trustees Excused: Dale Fowers and Bart Blair

Others Present: Kevin Hall, Camille Cook, James Dixon, Paige Spencer, Shawn Wilson, Clay Marriott, Mark Anderson, Ryan Bench (Carollo Engineers), Daniel Stephens, Spencer Stephens and Dallin Curriden (BlackPine Group), Chad Meyerhoffer, Stephanie Russell, Sharon Bolos and Sean Wilkinson (Weber County), and Jeff Beckman (Bowen, Collins and Associates).

Call to Order:

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

The pledge of allegiance was led by Trustee Hyer.

The invocation was offered by Trustee Tait.

Public Comment:

There were no public comments.

Minutes of March 20, 2023 Board Meeting Approval:

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

That the March 20, 2023 Board meeting minutes be approved as presented.

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

Ratification of Vouchers:

Trustees Caldwell and Porter entered the Board room.

Camille Cook reminded the Trustees about vouchers that previously were approved by the Board prior to payment, and recommended ratification of the March 2023 Check Register, which is an itemized list of all payments made by the District during March, in the total amount of \$3,682,856.39.

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

That the March 2023 Check Register be ratified and approved as presented in the total amount of \$3,682,856.39.

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

Project Updates of Major Capital Projects:

James Dixon explained that only one payment application was properly submitted for the month of March. C&L submitted a payment application, but it was late and included errors that had to be corrected. The Gerber Construction payment application was included in the Board packet. Mr. Dixon advised the Board that construction is progressing well.

Certification of Annexation/Withdrawal Petitions:

There were no annexation or withdrawal petitions to be certified by the Board.

Review of Proposal to Adopt BlackPine Lift Station and Line:

Kevin Hall introduced Sean Wilkinson, Stephanie Russell, Chad Meyerhoffer, Weber County Commissioner Sharon Bolos, and Dallin Curriden, Spencer Stephens and Daniel Stephens representing the developer, BlackPine. Sean Wilkinson explained that growth in Weber County must be served by sewage collection and treatment systems. BlackPine representatives recently approached the County and were advised to annex into the District, which has been accomplished. BlackPine is now proposing the installation of a sewage collection system.

- The County and the developer would fund all costs to install the proposed sewage collection system. CWSID would have no financial obligation for the installation of the infrastructure.
- The County and/or the developer would transfer the completed collection system to CWSID.
- CWSID would then own, operate and maintain the collection system.
- CWSID would have the ability to authorize additional connections and collect fees generated from current and future development in the annexed area.

Cost estimates for the County and/or the developer to install the collection system were reviewed, but no funds will be requested from the District for the design and construction of the sewer line. The project will be funded through the developer, ARPA funds and other means.

County Commissioner Sharon Bolos advised the Board regarding a Public Infrastructure District (PID) that may provide funding and a future interlocal agreement with CWSID that would include specifications and construction standards that are acceptable to CWSID. The County has asked BlackPine to upsize the line beyond current needs to accommodate future growth. Trustee Berube mentioned that, if a sewer line is available within 300 feet of the property line, residents would be required by the County to connect to the sanitary sewer system, which may create a financial burden for those residents. Mr. Wilkinson said there currently are no grants available to offset that cost, but the Health Department may allow additional time for connections to be completed. Mr. Hall advised the Trustees that the Long-Range Planning Committee will meet to review the proposal in detail. Sean Wilkinson requested that consideration of the BlackPine proposal be included in the CWSID May Board meeting agenda.

Review of Payroll and Benefits Portion of the 2024 Budget:

Camille Cook reviewed the proposed payroll and benefits portion of the FY (Fiscal Year) 2023-2024 Budget:

The payroll portion of the proposed 2023-2024 Budget reflects an approximately 3.65% increase above the 2022-2023 Budget for payroll due to wage increases and a proposed new full-time employee. The District is currently staffed with 33 permanent employees, but the workload indicates a need to hire another permanent year-round employee. The 2023-2024 Budget proposal includes 34 permanent employees.

The Budget also includes an increase of approximately 6.84% for benefits due to increased wages and costs and an additional employee. 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 in 2023. CWSID has a sufficient budget to provide needed merit-based increases in 2024.

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 3.4% per year. Approximately 80 local government agencies insured by PEHP are in the same pool as the District. In 2012, the District received a premium holiday of \$303,274, which was the largest premium holiday given by PEHP. Our employees have an outstanding record of health insurance conservation.

It is time to renew health insurance coverage for the District's employees. By approving the 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, 2023. The District's premium increase will be 5.5%. The average increase for all PEHP insured agencies is 4.3%. The District's rate increase is higher than average due to the switch from a calendar year to a fiscal year. The last health insurance premium increase was effective on January 1, 2022, which was 18 months prior to the current renewal. All health insurance programs are experiencing increases due to inflated medical and dental costs, including pharmaceutical costs. The actual dollar increase is \$109.24 per month for family coverage.

Due to changes in District employees and the proposed addition of one full-time employee, the budget for health insurance will increase by \$75,000. The proposed Budget also includes funding for changes in employment or employee changes in medical status during the 2023-2024 fiscal year.

The PEHP Health Plan is a benefit that is greatly appreciated by CWSID employees. Management recommended approval of the PEHP Plan for 2023-2024 to maintain the quality of coverage and network continuity for District employees based on recommendations made in 2021 by the Health Insurance Selection Committee.

Ms. Cook anticipates presenting tentative 2023-2024 Budget recommendations for consideration and review during the May Board meeting. Trustee Berube noted that some employees' portions of the premium costs will increase due to the District's policy of covering 100% of health insurance premiums only after an employee reaches 10 years of employment with the District. Trustee Berube asked when the District last looked at health insurance deductibles. The Health Insurance Selection Committee reviewed deductibles in September of 2021 while reviewing health insurance coverage options.

Review 2024 Budget Capital Projects:

Kevin Hall explained that the Board will consider the Fiscal Year 2023-2024 Tentative Budget in May. A significant portion of that budget will include planned and contracted capital projects. Many of the projects shown in the Budget are continuations of existing efforts, including the Phase II Bioreactor and UV Disinfection Project. That Project is a multiyear effort, and the annual budgeted cost is based on the Engineer’s estimated Project cost and an estimate of the amount to be spent each year, including any funding that was carried forward from previous years. The capital projects are necessary due to population growth, compliance with regulations, and maintenance made necessary by the corrosion of aging infrastructure. The proposed 2023-2024 Budget may need to be adjusted before final approval.

Fiscal Year 2023-2024 Capital Budget:

- Land Acquisition: \$0
 - Site Paving & Utility Improvements: \$1,200,000
 - Plant Projects: \$378,000
 - Vehicles & Motorized Equipment: \$45,000
 - Pump Station Equipment: \$304,000
 - Collection System Projects: \$8,547,000
 - SCADA Improvements: \$106,000
 - Building Improvements: \$455,000
 - Master Plan Study & Impact Fee: \$100,000 (estimated completion by December 2023)
 - Plant Growth and Expansion: \$54,772,000
- Total \$65,907,000**

Mr. Hall anticipates presenting specific recommendations for consideration during a later Board meeting.

Review and Consideration of March Financial Statement:

Camille Cook reviewed the March 2023 Financial Statement with the Trustees. She explained that the District’s finances are in line with expectations for this point in the year. She informed the Trustees that revenues and expenses are close to Budget numbers, noting that expenditures are being impacted by inflation. Ms. Cook recommended approval of the March Financial Statement, and asked if there were any questions.

There being no questions, it was moved by Trustee Berube and seconded by Trustee Mitchell as follows:

That the March Financial Statement be approved as presented.

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

Consideration of Resolution 2023-06: Approving Updates to District Bylaws:

Kevin Hall presented proposed changes to the District’s Bylaws for the Board’s consideration:

Section 3.3.4, Item b.

- Means of payment – adjustment to allow direct deposits, or other payment means.

Section 2.8.2 additional information to be added:

- Trustees who are absent from more than one consecutive Board meeting and have not been excused may receive reduced pay at the direction of the Board Chairman. Not including the first absence, the reduction in pay will be equal to one twelfth of the annual compensation for each unexcused absence.

Changes to the Bylaws were discussed during the February Board meeting. Based on the discussion, it was determined that the Chairman of the Board could be the gatekeeper regarding unexcused Trustee absences. A Trustee asked if virtual attendance would be an option to avoid Trustee absences. Mr. Hall responded that virtual participation could be an option, but management would need to know in advance so that arrangements for electronic participation could be made and statutory requirements could be satisfied.

Trustee Westbrook left the Board meeting.

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

That Resolution 2023-06, updating the District Bylaws, be adopted as presented.

The motion carried, using a roll call vote, with Trustees Allen, Berube, Blazzard, Caldwell, Call, Hyer, Froerer, Mitchell, Porter, Tait, Van Leeuwen, and Vanderwood each voting in the affirmative.

Consideration of Offer to Purchase Real Property:

Kevin Hall noted that the Board developed an action plan for the possible purchase of real property during the last Board meeting. That effort is moving forward, but Mr. Hall suggested that the Board go into a closed meeting to discuss developments regarding the attempt to purchase the land.

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 Caldwell as follows:

That the Board go into a closed meeting to discuss the purchase of real property.

The motion carried, by a roll call vote, with Trustees Allen, Berube, Blazzard, Caldwell, Call, Hyer, Froerer, Mitchell, Porter, Tait, Van Leeuwen, and Vanderwood each voting in the affirmative.

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, and James Dixon to remain with Trustees Allen, Berube, Blazzard, Caldwell, Call, Hyer, Froerer, Mitchell, Porter, Tait, Van Leeuwen, and Vanderwood in the closed meeting. Mark Anderson also participated in the closed meeting.

The closed meeting began at 6:03 p.m. and ended at 6:18 p.m. No action was taken during the closed portion of the meeting, other than the approval of a motion to end the closed portion of the meeting and return to open session.

The doors to the Board room were opened so members of the public could re-enter, and Chairman Allen declared the meeting to again be open.

Trustee Vanderwood left the Board meeting.

General Manager:

Kevin Hall was asked about wastewater flows at the sewage treatment plant. Mr. Hall advised the Board that the plant flows are higher than normal for this time of the year. Normal flows are approximately 35 mgd (million gallons per day), but the District currently is averaging almost 60 mgd. In response to a question from Mark Anderson, James Dixon stated that there is no risk of a bypass.

Attorney:

Mark Anderson had nothing to add. He will provide a legislative summary during a future Board meeting.

Other Business:

There was no other business to be discussed.

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, Blazzard, Caldwell, Call, Hyer, Froerer, Mitchell, Porter, Tait, and Van Leeuwen.

Chairman Allen declared the meeting to be adjourned at 6:24 p.m.

Approved by the Board of Trustees of the Central Weber Sewer Improvement District on the 15th day of May 2023.

Mark C. Allen, Chairman

ATTEST:

Camille Cook, Clerk