

MINUTES OF THE MEETING OF THE TRUSTEES  
OF THE CENTRAL WEBER SEWER IMPROVEMENT DISTRICT  
HELD MONDAY, JULY 20, 2020. THE MEETING WAS HELD ELECTRONICALLY WITH  
A PHYSICAL ANCHOR LOCATION AT THE DISTRICT OFFICE LOCATED AT 2618  
WEST PIONEER ROAD, MARRIOT-SLATERVILLE, UTAH, WITH PUBLIC ACCESS TO  
THE MEETING

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

**Trustees Excused:** Sharon Bolos and Lee Dickemore

**Others Present:** Lance Wood, John Cardon, Kevin Hall, James Dixon, Shawn Wilson  
Mark Anderson, Jeff Beckman, Craig Ashcroft and John Richardson

**Call to Order:**

The meeting was called to order at 5:00 p.m. by Chairman Allen, who was the only Trustee present at the anchor location. It being an electronic meeting, there was no pledge of allegiance. The invocation was offered by Trustee Searle.

**Public Comment:**

There were no public comments.

**Minutes of June 15, 2020 Board Meeting Approval:**

There being no corrections for the minutes, it was moved by Trustee Porter and seconded by Trustee Caldwell as follows:

**That the June 15, 2020 Board meeting minutes be approved as presented.**

The motion carried by the affirmative vote of Trustees Allen, Caldwell, Call, Fowers, Hyer, Jenkins, Porter, Searle, 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, as presented. Following a brief review, it was moved by Trustee Jenkins and seconded by Trustee Searle as follows:

**That the payment of vouchers issued during the month of June, 2020, in the total amount of \$2,753,854.96, be approved and ratified as presented.**

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

**Consideration of Pay Requests & Equipment Purchases:**

Lance Wood presented a \$1,694,563.00 payment request from Gerber Construction for work on the Phase I Nutrient Removal Project. Of the total amount requested, \$84,728.15 (5%) is to be deposited into a retainage account, resulting in a net payment to Gerber Construction of \$1,609,834.85. Mr. Wood recommended approval of the payment request.

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

**That the payment request from Gerber Construction be approved as presented for work completed on the Phase I Nutrient Removal Project in the total amount of \$1,694,563.00, less a 5% retainage.**

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

Lance Wood informed the Board that Andritz Separation had not yet sent an invoice for the new belt press, and recommended that the payment request be tabled.

Trustees Blair and Berube joined the Zoom Meeting.

Lance Wood presented a \$956,430.00 payment request from Whitaker Construction for work completed on the Burch Creek Outfall Line. Of the total amount requested, \$47,821.50 (5%) is to be deposited into a retainage account, reducing the net payment to Whitaker Construction to \$908,608.50. Mr. Wood recommended payment of the requested amount.

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

**That the payment request from Whitaker Construction be approved as presented for work completed on the Burch Creek Outfall Line in the total amount of \$956,430.00, less a 5% retainage.**

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

Lance Wood presented the last payment request, which was from Whitaker Construction for work completed on the North Area Relief Sewer. Of the \$309,829.00 total requested amount, \$15,191.44 (5%) is to be deposited into a retainage account, resulting in a net payment to Whitaker Construction of \$288,637.56. Mr. Wood recommended approval of the request.

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

**That the payment request from Whitaker Construction be approved as presented for work completed on the North Area Relief Sewer in the total amount of \$288,637.56, less a 5% retainage.**

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

**Certification of Annexation/Withdrawal Petitions:**

Lance Wood presented an Annexation Petition for the Tyler Cazier property, which is a 2.1814 acre parcel of land located at 1223 South 4100 West in Weber County. The property is planned to be developed into a single lot residential subdivision. Mr. Wood recommended that the Annexation Petition be certified by the Board. It was then moved by Trustee Caldwell and seconded by Trustee Hyer as follows:

**That the landowner Annexation Petition for the Tyler Cazier property be certified, with final approval of the annexation of the subject property to be placed on the agenda for consideration during a future Board meeting.**

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

Mr. Wood then presented an Annexation Petition for the John Gibson Property, which is a 45,000 square foot parcel of land located at 2200 South 4850 West in Weber County. The annexation request is for a single residential lot. Mr. Wood recommended that the Annexation Petition be certified by the Board. It was then moved by Trustee Hyer and seconded by Trustee Sjoblom as follows:

**That the landowner Annexation Petition for the John Gibson property be certified, with final approval of the annexation of the subject property to be placed on the agenda for consideration during a future Board meeting.**

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

Mr. Wood presented the final Annexation Petition for the Rawson Ranch Agriculture Subdivision, which is a 29.771 acre parcel of land located at 3300 South 5100 West in Weber County. The annexation request is for a two-lot agricultural subdivision. Mr. Wood recommended that the Annexation Petition be certified by the Board. It was then moved by Trustee Jenkins and seconded by Trustee Searle as follows:

**That the landowner Annexation Petition for the Rawson Ranch Agriculture Subdivision property be certified, with final approval of the annexation of the subject property to be placed on the agenda for consideration during a future Board meeting.**

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

**Consideration of Biosolids Disposal Procurement:**

Kevin Hall explained that the District produces approximately 10,000 tons of biosolids annually. Biosolids are the treated sludge byproduct of wastewater treatment. Disposal of biosolids has become a challenging problem along the Wasatch Front.

The District currently disposes of biosolids through land application and composting to four sources: land application on land owned by Randy Marriott (approximately 64%); composting with green waste by Weber County (approximately 27%); composting into topsoil by Evergreen Soils (approximately 8%); and public giveaway (approximately 1%). The biosolids produced by the District are Class A biosolids. That is the best rating for biosolids and allows the District the most options for biosolids distribution. The methods used for distribution by the District comply with the District's discharge permit issued by the Division of Water Quality ("DWQ").

Of the four sources, the land application with Randy Marriott has been the District's most reliable disposal option for a majority of the biosolids produced by the District's sewage treatment plant. Biosolids disposal challenges include compliance with the DWQ permit, managing odor complaints, and disposing of a large biosolids volume, with amounts varying from year to year. Mr. Marriott's operation has provided this service for more than 20 years at no cost to the District.

Marriott's operation has grown to accept biosolids from several additional wastewater facilities. All of the other wastewater facilities are paying a fee. Mr. Marriott has commented in previous years that he would need to start charging the District for his operation to remain profitable. The scheduling of the annual haul of biosolids was difficult last year, and Mr. Marriott stated that he would not haul any more biosolids without an agreement under which the District would be required to pay for the service.

Lance Wood and Kevin Hall have met with Randy Marriott to discuss such an agreement. Mr. Marriott has the equipment and land available to provide this service for many years to come. Randy Marriott has provided a very reliable service to the District for a long time. The District is located close to the Marriott property where the land application takes place.

Mr. Hall has gathered data and information concerning recent efforts by other sewage treatment facilities to locate viable options for the disposal of their biosolids. Mr. Hall recommended the creation of a committee that would include Lance Wood and Kevin Hall, plus two Trustees, that would attempt to identify other viable land application options. Depending upon the committee's success, a competitive procurement of biosolids disposal services could be initiated by the District or an alternative procurement approach might be followed under the District's Purchasing Policy. In any event, Mr. Hall expects the committee to be prepared to present a proposal for consideration during next month's Board meeting. Trustees Hyer and Porter volunteered to be members of the committee.

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

**That a Committee consisting of Trustees Hyer and Porter, along with Lance Wood and Kevin Hall, be assigned to investigate additional land application biosolid disposal options and provide a biosolids disposal proposal for consideration during the next Board meeting.**

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

**Consideration of Engineering Firm Contracts:**

Kevin Hall explained that, in accordance with the District's Treatment Plant Evaluation and Master Plan approved February 2018, the District has moved forward with the design of the second nutrient removal phase. The Phase II plan includes expanding treatment plant features such as bioreactors, clarifiers, solids handling, pumping, and associated site work.

This year, \$1,000,000 was budgeted to begin this expansion work, which is estimated to cost \$54,000,000 and is scheduled for completion by 2025. Expansion of the bioreactors is a requirement of the DWQ as written into the District's TBPEL (phosphorous rule) variance.

District staff and the Long-Range Planning Committee have considered strategies to potentially reduce the cost of Phase II construction. These include staff designed and installed equipment such as the belt press project that currently is being installed, work to reduce groundwater infiltration, and potential project cost sharing with the Weber Basin Water Conservancy District. By limiting the scope of this initial design task to the bioreactor and clarifier expansion, other options continue to be available.

Staff issued and advertised a request for engineering firms that are interested in designing the Phase II Bioreactor Expansion to submit Statements of Qualifications ("SOQs") to the District. In response, Carollo Engineers, Brown and Caldwell, Stantec, and Bowen Collins & Associates submitted SOQs. In accordance with the District's Purchasing Policy and Utah Code § 17B-1-108, the selection of engineering firms is based on qualifications, after which the cost is to be negotiated.

The selection committee, consisting of Chairman Allen, Trustee Hyer, Lance Wood, James Dixon and Kevin Hall, selected Carollo Engineers as the most qualified firm for this project. Carollo Engineers and the District previously entered into a Master Agreement. Task Order 2020-001, which includes a scope of work and a budgeted cost of not to exceed 2,600,362 has been negotiated with Carollo. Carollo originally proposed a not to exceed cost of more than \$3,000,000, but that amount was reduced during the negotiations. The committee recommended approval of Task Order 2020-001 covering design services for the Phase II Bioreactor.

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

**That Task Order 2020-001 with Carollo Engineers be approved at a not to exceed cost of \$2,600,362 for Phase II Bioreactor design services.**

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

James Dixon informed the Board that the selection committee for the Collection System Pipeline Rehabilitation Project has reviewed SOQs and ranked the responding engineering firms, but has not completed cost negotiations with the highest ranked firm. A recommendation will be provided for consideration during the next Board meeting.

**Review & Consideration of June 2020 Financial Statement:**

John Cardon reviewed the June Financial Statement, which included the District's Balance Sheet and Income Statement, with the Board. He pointed out that revenues and expenses are about as expected and declared there to be no significant concerns at this point in the budget year.

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

**That the June Financial Statement be ratified and approved as presented.**

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

**Consideration of Proposed 2008C Bonds Repay at Par:**

Mr. Cardon presented information on the proposed prepayment of the District's Series 2008C Bonds. The currently outstanding principal balance totals \$609,000. The bonds are scheduled to be paid off in 2031. The interest to be paid during that time period would total \$87,239 at 2.3%. The District's June PTIF (Public Treasurers Investment Fund) account managed by the Utah State Treasurer paid an interest rate of 0.9353%, and it is estimated that the PTIF rate may drop below 0.5% in the coming months. The interest savings to be realized by prepaying the Series 2008C Bonds will be about \$81,000, less the interest that could be earned if \$609,000 was not used to repay the Bonds. At a 1.0% interest earned rate, the net savings would be approximately \$38,000, but if the interest rate were to drop to 0.5%, the savings could increase to approximately \$70,000.

In addition to interest payment savings, the District would free up \$58,000 in reserves and be able to utilize \$32,000 in prepaid interest. Repaying the bonds in advance of the bond payment schedule would also support the District's bond rating. There are no penalties for making the prepayment.

Trustee Berube expressed a concern that interest rate earnings may increase over the remaining life of the bond. Mr. Cardon responded that the District's financial advisor recommended the early payment of the bonds, which provides other benefits to the District.

Trustee Jenkins stated that lowering debt and maintaining a strong bond rating is a good business decision. He then made the following motion, which was seconded by Trustee Searle:

**That the Series 2008C Bonds be repaid as soon as possible.**

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

**Consideration of Amending Purchasing Policy:**

Lance Wood explained that changes have been made to the state law that governs the District's purchasing procedures. Mr. Wood indicated that a few preliminary updates to the District's Purchasing Policy may be available by the next Board meeting, and that additional updates may follow.

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

Chairman Allen declared that there was no need to close the meeting.

**General Manager:**

Lance Wood updated the Board on the Frank Blair lawsuit. When the BDO Outfall Line was constructed, Frank Blair signed a Right of Entry Agreement, which allowed the Outfall Line to be constructed through Mr. Blair's property. However, the District and Mr. Blair have never been able to agree on a price for the easement.

Attempts have been made to come to terms with Mr. Blair through mediation and negotiation, without success. After several years, Mr. Blair filed a lawsuit against the District. Because of his age and declining health, Mr. Blair has turned control of the legal action over to his children. The Blairs new attorney has asked the District to involve the Utah Property Rights Ombudsman to try to mediate an agreement. This will be the second time the Property Rights Ombudsman has attempted to mediate the dispute. However, Mr. Wood expressed strong support for attempting to mediate the dispute with Mr. Blair's children. The District's insurance company is providing an attorney to represent the District in the Blair litigation.

**Attorney:**

Mark Anderson had nothing to present.

**Other Business:**

Mr. Wood asked each Board member to complete, sign and return a Conflict of Interest form to the District as soon as possible.

**Adjournment:**

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

**That the Board meeting be adjourned.**

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

Chairman Allen declared the meeting to be adjourned at 6:18 p.m.

Approved by the Board of Trustees of the Central Weber Sewer Improvement District this 17th day of August, 2020.

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Mark C. Allen, Chairman

ATTEST:

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John Cardon, Clerk