

**MINUTES OF THE REGULAR MEETING OF THE
BOARD OF TRUSTEES OF THE SOUTH DAVIS WATER DISTRICT
HELD OCT. 12, 2022 AT THE DISTRICT OFFICE
LOCATED AT 407 WEST 3100 SOUTH, BOUNTIFUL, UTAH**

Trustees Present:

M. Jerry Hawley	Chairman
Ron Mortensen	Trustee
Kathy Thurston	Trustee

Also present:

Jake M. Ferguson	Manager
Tracie James	District Clerk

The meeting was called to order by Trustee Hawley at 4:35 p.m., after which he welcomed all those present.

Minutes of Previous Meeting:

Trustee Mortensen moved that the minutes from September 14, 2022 be approved as written. Trustee Thurston seconded the motion. The motion carried with Trustees Hawley, Mortensen and Thurston voting "aye".

Expenditures Update:

The expenses for September were reviewed. Trustee Thurston moved that the expenses for September be ratified and approved. Trustee Mortensen seconded the motion. The motion carried with Trustees Hawley, Mortensen and Thurston voting "aye".

Consider Applying for More American Rescue Plan Act grant money through The Utah Division of Water Resources:

Mr. Ferguson reported that the application is not available as of the date of this meeting. After some discussion, the Board would like Mr. Ferguson to apply for the grant money. Mr. Ferguson will continue to watch for the application to be available and will apply as soon as it is available.

Secondary Metering Update, Including a Discussion of the Development of Public Communications and Scheduling of a Public Meeting Prior to the Board Approval of Rate Increases and Starting Work Associated with Installing Meters:

It was discussed that the public hearing for the rate increase associated with irrigation metering will be held during the District's regular yearly public and budget hearing, which is always in December, with 2022's public hearing being on December 14th, 2022. All public notification requirements in HB 242 for increasing rates more than 10% to pay for irrigation meters, will be met by the District.

Mr. Ferguson reported that North Salt Lake is not interested in purchasing the District property where the inactive Odell Spring treatment facility sits on Center street in North Salt Lake.

Mr. Ferguson reported that the State still has not distributed the contract for the grant money that was awarded in August, 2022, for irrigation metering. The State is about a month behind on getting the contracts out to those awarded the grant money. Trustee Mortensen expressed concern that the state could also be late in reimbursing the irrigation metering expenditures under the grant and that could possibly put the District in a difficult position with cash flow.

Mr. Ferguson reported that he has researched, and sent of a letter of interest, for a grant through Davis County, called the Hardship Grant, which is offered through the County's Community and Economic Development Division. The District has 3 block areas on the West side of the District that are considered low income by the Census Bureau and are possibly eligible for the hardship grant money. The County contacted Mr. Ferguson to let him know that irrigation projects are not covered by the grant because irrigation water is not considered a necessity in this particular hardship area, but that the grant could cover culinary projects. The representative from Davis County encouraged Mr. Ferguson to apply for the grant in November for culinary projects.

Mr. Ferguson reported that Jon Parry, who is the assistant general manager at Weber Basin, emailed all those who have signed a contract with Weber Basin to purchase irrigation water meters. Mr. Perry reported that the meter supplier is no longer willing to charge the meter price at the time the meters are ordered, but rather are going to charge the meter price at time of shipping. The price could increase substantially between the time the meters are ordered, which would be this year, versus the time the meters are shipped, which would be later next year. The fact that the meters would arrive so late next year, also poses a problem since there is a deadline to use the grant money before the end of 2026 and the project would not be able to be started until late in 2023. Mr. Ferguson sees no benefit to ordering the meters through Weber Basin and therefore suggests the District void the contract to purchase meters between the District and Weber Basin, which can be done with no penalty before any meters are shipped. Mr. Ferguson, and one of the District's water operators, have been exploring other irrigation water meter options and Mr. Ferguson presented, what he believes to be, the best option for the District. Mr. Ferguson presented an estimate to purchase meters from Hydro Specialties for a slightly higher price than the meters are estimated to cost if bought through Weber Basin. The transmitter, software and software training would cost substantially less if meters are purchased through Hydro Specialties. There would be no need for a meter setter, which is a device that holds and connects a meter between the District's side of the service line and the customer's side of the service line, therefore, that cost would be eliminated. The yearly fee for the service to read the meters purchased through Hydro Specialties would cost substantially more than the meters purchased through Weber Basin, around \$23,000 per year (cellular) versus \$8000 per year (radio). The meter read service through the Hydro Specialties meters would be the most up to date technology as they would be read through a cellular service instead of radio. This cellular service would not have to be used right away, it may not have to be used until 2030, or whenever the State of Utah decides to require it. The biggest benefit to purchasing meters through Hydro Specialties versus Weber Basin is that the meters are available now and can be ordered a month at a time, or as needed, therefore, alleviating the need for a large amount of capital up front, which means the District would not have to sell 200 acre feet of water to Weber Basin. The price of all parts and services is subject to change as the years go on as this project will take several years to complete. It is currently estimated that the District will need to raise irrigation rates around 32% to cover the cost of installing these irrigation water meters.

Trustee Thurston suggested posting all information regarding HB 242-Secondary Water Metering Amendments, and the informational letter to be sent to District residents regarding the rate increase, on the District's website. Mr. Ferguson agreed to post the informational letter, when it is available, on the website along with a link to HB 242.

The Board would like the matter of cancelling the Weber Basin meter purchase contract put on the agenda for next months board meeting and will vote on the matter at that time.

Construction and Maintenance:

Mr. Ferguson reported that the irrigation system is completely drained, therefore the District is going to commence cleaning irrigation reservoirs #1 and #3.

Mr. Ferguson reported that the Val Verda well pump still has not been inspected to see if it is working properly, but Widdison Turbine has promised to get to it soon.

Mr. Ferguson reported that 2 pallets of sodium fluoride have been received. This supply should last around 2 years.

Water Outlook:

The reservoirs that serve the District are really close to 50% of normal. Mr. Ferguson estimates that the District will have around 400-500 acre feet of irrigation water left over this year, but he is still waiting for Weber Basin to send the final use statement. The District did very well conserving water this irrigation season.

Financial Statement:

There were no questions or concerns regarding the financial statement.

There being no further business, the meeting adjourned at 5:25 p.m.


District Clerk