

**MINUTES OF THE REGULAR MEETING OF THE  
BOARD OF TRUSTEES OF THE SOUTH DAVIS WATER DISTRICT  
HELD NOV. 9, 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
Greg Smith	Resident
Curt Kofford	Resident

The meeting was called to order by Trustee Hawley at 4:32 p.m., after which he welcomed all those present.

**Minutes of Previous Meeting:**

Trustee Mortensen moved that the minutes from October 12, 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 October were reviewed. Trustee Thurston moved that the expenses for October be ratified and approved. Trustee Mortensen seconded the motion. The motion carried with Trustees Hawley, Mortensen and Thurston voting "aye".

**Consider Terminating the Weber Basin Secondary Metering Equipment Purchase Cooperative Agreement as per Article IV, Section 4.1, of the Purchase Agreement:**

As discussed in the previous meeting of October 12, 2022, Mr. Ferguson explained that there is no benefit to the District in purchasing meters through Weber Basin. It was originally thought that there may be a discount on the price of the meters if purchased in bulk through Weber Basin, but that is not the case, therefore, it was motioned by Trustee Mortensen that the District cancel the meter order and the Purchase Cooperative Agreement through Weber Basin and that Weber Basin be notified as soon as possible of the cancelation. As part of the motion, Trustee Mortensen also asked Mr. Ferguson to follow up with Weber Basin to make sure they receive the cancelation. Trustee Thurston seconded the motion. The motion carried with Trustees Hawley, Mortensen and Thurston voting "aye".

**Consider Adopting Resolution #70-Opening and Amending the 2022 Budget:**

Mr. Ferguson presented a copy of the 2022 Budget and explained that some budget items have proven to cost more in 2022 than originally projected. Therefore, Mr. Ferguson proposes that the following 2022 budget items be amended: Power and Pumping-\$5,000 increase from \$84,000 to \$89,000; General Administrative Expense-\$6,000 increase from \$15,000 to \$21,000; Water Sampling-\$6,000 increase from \$5,000 to \$11,000; Employee Benefits-\$1,000 increase from \$178,000 to \$179,000; Legal Fees-\$1,000 increase from \$3,000 to \$4,000; Insurance-\$2,000 increase from \$22,000 to \$24,000 for a total 2022 budget increase of \$21,000. Trustee Thurston motioned that the 2022 adopted budget of the South

Davis Water District be amended as discussed above. Trustee Mortensen seconded the motion. The motion carried with Trustees Hawley, Mortensen and Thurston voting "aye".

#### Consider Adopting the 2023 Tentative Budget:

Mr. Ferguson presented the 2023 tentative budget. The budget was reviewed and a discussion was held (see attached 2023 tentative budget). The Social Security Administration is providing an 8.7% cost of living increase for Social Security beneficiaries; therefore, it is proposed that the District provide the same cost of living increase for District employees, along with a .3% (less than 1/3 of 1%) merit increase. It is proposed that there be no culinary rate increase, however, it is proposed that the irrigation connection fee is increased by \$59 per connection per year to cover the cost of installing irrigation water meters. It is currently estimated that there will be no capital improvement projects, other than installing irrigation water meters, for the next 4 years-through the end of 2026. Weber Basin has increased water rates by 3%.

After further discussion and review of the tentative budget (see attached 2023 tentative budget) it was motioned by Trustee Thurston that the tentative 2023 budget be tentatively adopted and that the District hold a public hearing on Wednesday, December 14, 2022 at 6:00 pm. Trustee Hawley seconded the motion. The motion carried with Trustees Hawley and Thurston voting "aye" and Trustee Mortensen voting "nay". Trustee Mortensen would like it noted that he is against water metering, and therefore, against the \$59 per connection irrigation water rate increase, which is Trustee Mortensen's reason for voting "nay".

#### Update on the Progress of Secondary Metering, Including Applying for Additional Grants:

Mr. Ferguson reported that the next round of American Rescue Plan Act grant applications through the Utah Division of Water Resources will be accepted starting Nov. 21, 2022 and must be submitted by Dec. 6, 2022, however, these applications will not be presented to the Utah Division of Water Resources board until March of 2023.

Mr. Ferguson reported that he will be required to attend a training session on Tuesday, Nov. 15, 2022 through Davis County in order to apply for the Hardship Grant through the County's Community and Economic Development Division. This grant money could possibly allow the District to be able to continue with some small capital improvement projects on the culinary water system while also installing irrigation water meters.

Mr. Ferguson reported that the District has ordered 500 meters, plus fittings, from the District's meter and parts suppliers to have on hand at the suppliers' warehouses. The District will purchase the meters and fittings on an as needed basis as the irrigation metering project moves forward.

Mr. Ferguson reported that the irrigation metering project will be put out to bid soon, but also presented the idea of possibly having a District water operator run a crew of construction workers from a temporary staffing agency to install the irrigation meters. This would enable District staff to have more control over the project. Mr. Ferguson will research this idea further and report at the next board meeting.

#### Construction and Maintenance:

Mr. Ferguson reported that District personnel just finished cleaning irrigation reservoir #3 and, weather permitting, the cleaning of irrigation reservoir #1 will start soon. District personnel have also been winterizing all irrigation gate and float valves, preparing parts and

equipment for line breaks that occur more frequently in cold weather. District personnel repaired a culinary main line break on 200 West recently.

Mr. Ferguson reported that Widdison Turbine pulled the pipe column and pump from the Val Verda well casing and immediately observed that there is a giant hole in the galvanized steel thread of the pipe column and smaller holes all throughout the pipe itself. The District's engineer, along with Widdison Turbine, are researching the problem further and will present a solution in the near future. The well should be back online and working within a month.

Mr. Ferguson reported that a resident's contractor ripped out the District's irrigation main line on 200 East, which is in the resident's backyard. Jack Nielsen Construction performed the repair on the line and the resident will pay for the repair, which cost around \$6,000.

#### Mandatory Reporting Requirements:

After attending a board member training at the Utah Association of Special District's conference on Nov. 2, 2022, the board would like Mr. Ferguson to further explain what reports are required to be submitted to the State of Utah. Mr. Ferguson explained that there are several financial reports that are required to be submitted to the State Auditor each year, such as the budget, financial audit reports, the fraud risk assessment along with annual payroll data which must be uploaded to the Transparent Utah site. The District's revenues and expenditures must be uploaded to Transparent Utah quarterly and the District's Deposit and Investment Report must be sent to the State Treasury Department twice a year. In addition to all the financial reports, Mr. Ferguson is also required to file chlorine, fluoride, water consumption and water production reports with the Division of Drinking Water and Division of Water Resources. Payment Card Industry reports are due annually as well. Mr. Ferguson explained that he keeps track of when all these reports are required to be filed on his calendar.

Ms. James explained that she files all payroll and Utah Retirement Systems reports on a semi-monthly, quarterly and yearly basis, along with all insurance renewal reports, audit reports during the yearly audit, health and life insurance reports and many others as the need arises throughout the year.

#### Water Outlook:

The snowpack is at 418% of normal right now, which is phenomenal for this time of year. The District hopes this trend continues throughout this coming winter season.

#### Financial Statement:

There were no questions or concerns regarding the financial statement.

There being no further business, the meeting adjourned at 5:37 p.m.

  
District Clerk