

MINUTES
CENTRAL VALLEY WATER RECLAMATION FACILITY
Wednesday, June 25, 2025
Central Valley Board Room
3:30 p.m.

Board Members Present:

Chair Debra Armstrong
Vice Chair Don Russell
Member Kim Galbraith
Alternate Member Giles Demke
Alternate Member Greg Anderson
Member Brett Hales
Member LeAnne Huff

Granger-Hunter Improvement District
Taylorsville-Bennion Improvement District
Cottonwood Improvement District
Mt Olympus Improvement District
Kearns Improvement District
Murray City
City of South Salt Lake

Staff Members Present:

Phil Heck
Brandon Heidelberger
Graham Gilbert
Jake Crookston
Cindie Foote
Kevin Gallagher
Navneet Prasad
Mike Lee
LeAnn Dipo
Sharon Burton
Chris Reilley
Nick Mabey
Missy Willes
Joshua Hunsaker
Chad Fryrear
Jose Vargas
Daniel Hopes
Jay Beck
Quint Ewell
Wade Hamblin
Scott Kirkman
Shawn Groberg
Michael Earl
Annie Jensen
Shaun Udink
Keegan Winger
Travis Winger
Roger Orullian
Andrew Larsen
Tom Anderson
Henry Miklautsch

General Manager
Assistant General Manager
Legal Counsel
IT Manager
Employee Services Manager/Board Secretary
Construction Supervisor
Electrical Controls Engineer
Controller
Human Resource Manager
Facility Superintendent
Maintenance Manager
Lab Tech
Lab Tech
Operations
Operations
Operations
Operations
Maintenance
Operations
Operations
Operations
Operations
Operations
Biosolids
Administration
IT
Maintenance
IT
Maintenance
IT
Electrical Department
Electrical Department

Jay Nowell	Electrical Department
Van Bills	Electrical Department
Darwin Terry	Co-Gen
Aaron Nielsen	Co-Gen
Patrick Roche	Safety
Aaron Britton	Operations
Homer Melgar	Buildings and Grounds
Eric Price	Pretreatment
Nicholas Begay	Pretreatment
Christi Priest	Pretreatment
Talena Walton	Pretreatment

Staff Members Present Electronically:

Justin Zollinger	Chief Financial Officer
------------------	-------------------------

Member Entity Representatives Present:

Greg Neff	Cottonwood Improvement District
Spencer Evans	Cottonwood Improvement District
Stephen Rowher	Mt Olympus Improvement District
Jason Helm	Granger Hunter Improvement District
James Woodruff	Kearns Improvement District

Member Entity Representatives Present Electronically:

Craig Giles	City of South Salt Lake
-------------	-------------------------

Visitors Present:

Neil Kunz	Brown and Caldwell
Ryan Overman	Brown and Caldwell
Ray Dipo	

Visitors Present Electronically:

Dan Griffin	Division of Water Quality
-------------	---------------------------

A complete copy of each exhibit referred to in these minutes is filed in the official Central Valley Water Reclamation Facility Board Book. Chair Debra Armstrong conducted the meeting. Brett Hales led the Pledge of Allegiance.

APPROVAL OF MINUTES

Kim Galbraith made a motion to approve the minutes as presented of the May 28, 2025 board meeting.

MOTION: Kim Galbraith

SECOND: Don Russell

The motion passed with the following individuals voting in the affirmative: Debra Armstrong, Don Russell, Giles Demke, Brett Hales, LeAnne Huff, Kim Galbraith, and Greg Anderson.

PUBLIC COMMENTS

No comments were received.

GENERAL MANAGER COMMENTS

1. Reminder of the upcoming CVWRF Golf Tournament to be held August 11, 2025 at West Ridge Golf Course.
2. Compost busy season is ending soon. Sales year-to-date are \$232,000 with an anticipated additional revenue of \$10,000. Revenue for 2024 was \$209,000 and 2023 was \$187,000. Next Board meeting the Biosolids Department will give a department overview.

RESOLUTION OF APPRECIATION – LeANN DIPO

Debra Armstrong read aloud a Resolution of Appreciation for LeAnn Dipo who retired from Central Valley Water Reclamation Facility after 30 years of service. Many staff members were in attendance to show their appreciation for Mrs. Dipo. Mrs. Dipo thanked the Board and Management for their support throughout the years. She accepted a framed copy of the resolution as each Board member shook hands with her and wished her well in retirement.

Mr. Greg Anderson made a motion to adopt the Resolution of Appreciation for Mrs. Dipo.

MOTION: Greg Anderson

SECOND: LeAnne Huff

The motion passed with the following individuals voting in the affirmative: Debra Armstrong, Don Russell, LeAnne Huff, Greg Anderson, Brett Hales, Kim Galbraith, and Giles Demke.

APPROVAL OF EXCLUSIVE SALES LISTING AGREEMENT - CBRE

Mr. Justin Zollinger detailed the process CVWRF staff undertook in selecting a commercial real estate broker that specializes in industrial land application. Four different firms were identified and based on their background information, CBRE was interviewed. This group specializes in the sale/procurement of raw land. The typical broker commission is four percent. CBRE proposed three percent.

CBRE prepared a broker opinion of value for the Tempo Road property. The estimate is \$22M with the storm water drainage ditch in place and \$26M with the drainage ditch removed. Last year CVWRF had the property appraised by two firms which returned property values at \$22M and \$27M.

Dr. Heck stated that the engagement letter is still being reviewed by legal counsel and there does not appear to be any concerns. Staff requests approval to sign the engagement letter and move forward with CBRE.

Giles Demke asked if there are any up-front costs. Dr. Heck responded that commission costs would come from the proceeds from the land sale.

Dr. Heck added that CBRE stated that the market is very good for raw land. Commercial developers are looking to buy raw land years in advance.

Mr. Zollinger stated that if a favorable offer were to be received, staff would come back to the Board to get approval for the sale of the property. Additionally, if we were to sell the land, we would need to adjust our cash reserve policy to hold these monies in reserve for future land purchase for a biosolids land application site or for other purposes as determined by the Board.

Kim Galbraith asked if there was a conflict regarding one of the CBRE team whose last name is Zollinger. CVWRF inquired about this, and it was later determined that Mr. Bruce Zollinger is a cousin to Justin Zollinger. Greg Anderson asked legal counsel to review whether this could be an issue. Graham Gilbert indicated that he would look into this and provide an email to Dr. Heck with his opinion and recommendation.

Don Russell made a motion to approve the exclusive sales listing agreement with CBRE, pending legal review of a conflict of interest.

MOTION: Don Russell

SECOND: LeAnne Huff

The motion passed with the following individuals voting in the affirmative: Debra Armstrong, Don Russell, LeAnne Huff, Greg Anderson, Brett Hales, Kim Galbraith, and Giles Demke.

2026 BUDGET SCHEDULE

Dr. Heck stated that included in the board book is the 2026 budget schedule. Departments begin putting their budgets together in July, departmental meetings are held internally in August, preliminary budgets are discussed with entity managers early September and then presented to the board in the September board meeting, budget hearing in mid-October and final adoption is at the regularly scheduled board meeting in October. There were no questions from the board regarding the schedule.

NOTIFICATION OF PAST DUE ASSESSMENT PAYMENT – SOUTH SALT LAKE CITY

Mr. Justin Zollinger stated that, as per the Interlocal Agreement, staff were required to notify the board if any one of the entities had past due assessments. He was unaware of this requirement and had not notified the board of several incidents of past due assessments from the City of South Salt Lake. The June 2025 payment was 12 days late.

The 2018 amended Interlocal Agreement has two remedies the board may take for late assessment payments. They are to charge interest on late payments and/or removing voting rights of the offending entity. Staff are seeking direction from the board on this matter.

Discussion ensued regarding assessing interest, what that interest rate should be, and how it should be assessed, grace periods, and loss of voting rights. It was determined that an interest rate of eight percent would be assessed on the following billing cycle for the number of days late; that an entity would be allowed one “grace” late payment in a five-year period; and that staff would report any such late payment to the board.

Graham Gilbert will work with Cindie Foote to draft language to amend the Facility’s Administrative Policy and will bring this back to the board for approval.

Debra Armstrong made a motion to define a board policy with an eight percent interest rate on late payments, allowing for one “grace” late payment in a five-year period.

MOTION: Debra Armstrong

SECOND: Don Russell

The motion passed with the following individuals voting in the affirmative: Debra Armstrong, Don Russell, LeAnne Huff, Greg Anderson, Brett Hales, Kim Galbraith, and Giles Demke.

CAPITAL PROJECTS UPDATE

Kevin Gallagher presented a drone video for the following projects:

BNR Basins Project
Blower Building Project
Thickening and Straining Building Project
Dewatering Building Upgrade Project
Site Restoration Project – Administration Building Area

Mr. Brandon Heidelberger gave a brief overview of some milestones and critical path items as we move toward start-up and completion on some of the construction projects.

We took occupancy of the upstairs floor of the Blower Building. The move-in was completed on June 18. The contractor is still working downstairs on some of the punch list items, commissioning of the blower, and warehouse area cleanup.

We are continuing with the commissioning process of the new blowers. Four of the five blowers are available, as we continue to work through some issues on the fifth blower.

Sidestream Nitrogen – the transformer on this project is scheduled to arrive next month. Once it arrives, we will be able to make the permanent power connections. Reactor No.2 has

been seeded and is in operation with a continuous feed of filtrate. Ammonia removal has been averaging above 80% for both reactors.

BNR Project – We are completely reliant now on the new blowers to provide necessary process air for treatment. This will allow us to finish removal of the existing blowers in the Power Generation Building and complete the cable tray and conduits required for powering the new BNR process.

Dewatering – One silo has been erected, and the Contractor has started the second silo. Chemical tanks are scheduled to be installed over the next few weeks.

Straining and Thickening – The temporary transformer has arrived for the project and will be in place until receipt of the permanent transformer. The permanent transformer is expected to arrive at the end of the year. The temporary power will allow us to continue construction by taking the belt thickeners offline and installing the new thickening centrifuges.

Greg Anderson asked about insurance. As construction projects are being completed, is CVWRF taking these off the builder's risk policy and placing them on the general liability policy. Dr. Heck stated that our insurance company came out last week and inspected our construction projects. We continue to move projects off from builder's risk to general liability. We anticipate an insurance credit this year.

CLOSED SESSION TO DISCUSS PENDING OR REASONABLY IMMINENT LITIGATION

At 4:23 p.m. Kim Galbraith made a motion to go into closed session.

MOTION: Kim Galbraith

SECOND: LeAnne Huff

The motion passed with the following individuals voting in the affirmative: Debra Armstrong, Don Russell, Brett Hales, LeAnne Huff, Kim Galbraith, Greg Anderson and Giles Demke.

At 4:53 p.m. LeAnne Huff made a motion to come out of closed session.

MOTION: LeAnne Huff

SECOND: Don Russell

The motion passed with the following individuals voting in the affirmative: Debra Armstrong, Don Russell, Brett Hales, LeAnne Huff, Kim Galbraith, Greg Anderson and Giles Demke.

INFORMATIONAL ITEMS

Debra Armstrong stated that the Financial, Performance/Flow Monitoring, and Engineering Progress reports are included in the board packet.

There were no other comments or questions.

ADJOURNMENT

Brett Hales made a motion to adjourn.

MOTION: Brett Hales

SECOND: Kim Galbraith

The motion passed with the following individuals voting in the affirmative: Debra Armstrong, Don Russell, Giles Demke, Brett Hales, LeAnne Huff, Kim Galbraith, and Greg Anderson.

The meeting adjourned at 4:32 p.m.

Cindie Foote
Board Secretary