

**MINUTES**  
**CENTRAL VALLEY WATER RECLAMATION FACILITY**  
**Wednesday, March 26, 2025**  
**Central Valley Board Room**  
**3:30 p.m.**

**Board Members Present:**

Chair Debra Armstrong  
Vice Chair Don Russell  
Member Kim Galbraith  
Member Keith Lord  
Member Cheryle Hatch  
Alternate Member Ben Ford  
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  
Justin Zollinger  
Graham Gilbert  
Jake Crookston  
Cindie Foote  
Bryan Mansell  
Sharon Burton  
Chris Reilley  
Navneet Prasad  
Mike Lee  
LeAnn Dipo  
Brad Woodhouse  
Talena Walton  
Christi Priest  
Eric Price  
Nicholas Begay  
Halima Yarow

General Manager  
Assistant General Manager  
Chief Financial Officer  
Legal Counsel  
IT Services Manager  
Employee Services Manager/Board Secretary  
Chief Engineer  
Facility Superintendent  
Maintenance Manager  
Electrical Controls Engineer  
Controller  
Human Resource Manager  
Pretreatment Manager  
Pretreatment Coordinator  
Pretreatment Coordinator  
Pretreatment Acting Coordinator  
Pretreatment Specialist Trainee  
Pretreatment Specialist

**Member Entity Representatives Present:**

Greg Neff  
Spencer Evans  
Giles Demke  
Stephen Rowher  
Jason Helm  
Greg Anderson  
James Woodruff  
Craig Giles

Cottonwood Improvement District  
Cottonwood Improvement District  
Mt Olympus Improvement District  
Mt Olympus Improvement District  
Granger Hunter Improvement District  
Kearns Improvement District  
Kearns Improvement District  
City of South Salt Lake

**Member Entity Representatives Present Electronically:**

Mark Chalk

## Taylorsville-Bennion Improvement District

## Visitors Present:

Neil Kunz

Brown and Caldwell

Ryan Overman

Brown and Caldwell

Nathaniel Corry

Keddington &amp; Christensen CPAs

### Visitors Present Electronically:

Skyler Davies

Division of Water Quality

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. LeAnne Huff led the Pledge of Allegiance.

## APPROVAL OF MINUTES

Don Russell made a motion to approve the minutes of both the Strategy Session and regular Board meeting held February 26, 2025 as presented.

**MOTION:** Don Russell

SECOND: Kim Galbraith

The motion passed with the following individuals voting in the affirmative: Debra Armstrong, Don Russell, Keith Lord, Ben Ford, LeAnne Huff, Kim Galbraith, and Cheryle Hatch.

## PUBLIC COMMENTS

No comments were received.

## GENERAL MANAGER COMMENTS

1. Due to the annual WEAU conference next month, the Board Meeting will be held Thursday, April 17<sup>th</sup>. Several staff members will be giving presentations at the conference. We will also have a team participating in the Operator's Challenge event.

## CVWRF DEPARTMENT UPDATE - PRETREATMENT

Mr. Brad Woodhouse introduced the staff members in the department and gave a PowerPoint presentation, a copy of which is included in the minutes of the meeting and incorporated by this reference. The subjects covered in the PowerPoint were: Why We Do Pretreatment; Pretreatment Positions; Permitting; Inspecting; Sampling; Other Duties.

## **CAPITAL PROJECTS UPDATE**

Kevin Gallagher presented a drone video of the following projects:

BNR Basins Project  
Blower Building Project  
Thickening and Straining Building Project  
Dewatering Building Upgrade Project

Mr. Brandon Heidelberger gave a construction projects summary overview. We have begun start-up and commissioning of portions of the nutrient removal project. The main structures including the buildings, basins, and pump stations have been constructed with the majority of the equipment installed. The critical path to commissioning the main BNR process is getting the blowers up and running for supplying air to the new aeration basins/diffusers. In the interim, we will be initiating start-up of the primary effluent pumping station (PEPS), the basin and channel mixers, the RAS selector basin and associated pumps. Initial plant start-up should be completed by this Fall with the main BNR process fully commissioned by next Spring.

Mr. Heidelberger gave a PowerPoint presentation, which is incorporated into the minutes by this reference, outlining the construction summary and project review. The upcoming Asset Management Projects discussed were:

Digester 1,2, and 5 Rehabilitation Covers and Mixing  
Egg Digester Insulation/Sheathing  
Building Systems (Roofing and HVAC)

## **2024 AUDIT REPORT PRESENTATION**

Mr. Justin Zollinger introduced Mr. Nathaniel Corry from Keddington and Christensen Certified Public Accountants, the Facility's auditors.

Mr. Corry discussed the process of the audit and the resulting findings. It is the opinion of the auditors that the Financial Statements present the Facility's financial position fairly in all material respects. This is an unmodified opinion and is as clean of an opinion as an entity can receive. He recommended reading the Management Discussion and analysis (MD&A), which gives an excellent description of the operations of the Facility and changes that have occurred in 2024.

The Government Auditing Standards Report is separated into two sections; Internal Controls over Financial Reporting – the process and procedures of tracking money coming in and expenditure process; Compliance and Other Matters. The audit does not give an opinion, however, if there were weaknesses in these controls or compliance it would be reported in this section. According to their tests, there were no weaknesses or deficiencies in the internal controls or in compliance.

There were no questions regarding the audit presentation.

Mr. Justin Zollinger presented the annual financial statement highlights. They are:

- The Facility invested significant resources in CIP during 2024, with \$60,187,290 going into facility upgrades.
- The Facility put \$43,518,381 in capital assets into service in 2024.
- In 2024 management identified a need for additional digester capacity to treat an increase in biosolids from the new BNR Process. These projects were included in the \$85,780,000 bond.
- The Facility issued the last bond of \$85,780,000 for the completion of the construction projects.
- The Facility's net position increased by \$13,381,017 due primarily to revenue received for future capital and bond payments.
- The Facility canceled the ground lease agreement that was signed in 2022 for the golf course property. No development is expected to occur with this property in the near future.

The Facility's balance sheet was discussed which shows year end 2024 as compared to year end 2023. Assets exceeded liabilities by \$184,373,995 as of December 31, 2024. The largest portion of the Facility's net position, \$146,265,877, reflects its net investment in capital assets.

Mr. Zollinger explained the schedule of statements of revenues, expenses, and changes in net position for the Facility. In 2023, the Facility earned interest on bonds issued but not yet expended, in the amount of \$6.3M. CVWRF hit the interest threshold of earned interest and in turn had to pay arbitrage fees to the IRS thereby decreasing the non-operating revenues to \$385K. CVWRF has moved the bond proceeds over to State Local Government Securities (SLGS) which will preclude arbitrage payments in the future. The net position at the beginning of the year was \$170,994,978 and at year end it was \$184,373,995.

Member Entity ownership changed very slightly and is reflected in the financial statements.

Keith Lord made a motion to accept the 2024 Financial Audit as presented.

MOTION: Keith Lord

SECOND: Kim Galbraith

The motion passed with the following individuals voting in the affirmative: Debra Armstrong, Don Russell, Keith Lord, Ben Ford, LeAnne Huff, Kim Galbraith, and Cheryle Hatch.

## **ANNUAL RETIREMENT COMMITTEE REPORT**

Mr. Zollinger reported on the annual Retirement Committee meeting which was held March 13, 2025. The board representative on this committee is Don Russell who attended the meeting.

The items discussed were changes to the investment line up, business planning, new tools from Fidelity for account management, and self-directed purchase of individual securities.

No changes were made to the investment line up. All funds are performing as expected, and those funds current on the watch list remained on watch. The two funds that remain on the watch list are AF American Mutual Fund and PIF Small Cap.

For business planning, CVWRF is investigating the possibility of allowing employees to opt in and opt out of social security on an annual basis. This would allow CVWRF employees the opportunity to gain the required 10-year “in the system” eligibility to receive payments from social security. If this change is possible, there would not be additional cost to the Facility. The contribution to the 401a would be reduced by the amount paid into social security and be a net zero cost. The committee supported investigating the possibility of this change.

Fidelity has built a new tool for their website and app that helps employees do future planning and help in projecting savings and spending. It is a free tool, and the committee voted to include this tool on the employees’ portal. Fidelity has also built a Medicare solution tool to help employees who are becoming retire ready to research different plans. This also has been added to the portal.

The option of allowing self-directed purchase of individual securities was not passed by the committee. More research needs to be done before CVWRF would consider this.

## **LEGISLATIVE UPDATE – SENATE BILL 36 – WATER QUALITY BOARD AMENDMENTS**

Dr. Heck stated that the Wasatch Front Water Quality Council, along with the group’s lobbyist Holland and Hart, was able to pass Senate Bill 36. A copy of the enrolled bill is included in the board book. The bill establishes a process for members of the Water Quality Board to conduct a mediated settlement conference between the Division of Water Quality and a party in alleged violation of the Utah Water Quality Act and authorizes members of the Utah Water Quality Board to recommend a reasonable penalty amount to the Director.

## **INFORMATIONAL ITEMS**

Debra Armstrong stated that the financial and performance/flow monitoring reports are included in the board packet.

Mr. Keith Lord referenced the performance/flow monitoring report and asked about the January results. The flow is down, but the cost to treat is up. Dr. Heck explained that there are many upfront costs that occur in the month of January that cover the entire year, such as insurance costs and contributions to HSA. They drive up the cost in January and normalize over the year.

There were no other comments or questions.

**ADJOURNMENT**

LeAnne Huff made a motion to adjourn.

MOTION: LeAnne Huff

SECOND: Don Russell

The motion passed with the following individuals voting in the affirmative: Debra Armstrong, Don Russell, Keith Lord, Ben Ford, LeAnne Huff, Kim Galbraith, and Cheryle Hatch.

The meeting adjourned at 5:06 p.m.

---

Cindie Foote  
Board Secretary