

MINUTES
CENTRAL VALLEY WATER RECLAMATION FACILITY
Wednesday May 22, 2024
Central Valley Board Room
3:00 p.m.

Board Members Present:

Chair Debra Armstrong	Granger-Hunter Improvement District
Vice Chair Don Russell	Taylorville-Bennion Improvement District
Member Kim Galbraith	Cottonwood Improvement District
Member Cheryle Hatch	Kearns Improvement District
Member Keith Lord	Mt Olympus Improvement District
Alternate Member Ben Ford	Murray City
Member LeAnne Huff	City of South Salt Lake

Staff Members Present:

Phillip Heck	General Manager
Brandon Heidelberger	Assistant General Manager
Justin Zollinger	Chief Financial Officer
Graham Gilbert	Legal Counsel
Jake Crookston	IT Manager
Sharon Burton	Plant Superintendent
Kevin Gallagher	Construction Supervisor
Bryan Mansell	Chief Engineer
Navneet Prasad	Electrical Controls Engineer
Chris Reilley	Maintenance Manager
Josh Hunsaker	Operations Supervisor
Michael Earl	Biosolids Supervisor
Jay Nowell	Electrician/Operations Challenge Team
Homer Melgar	Maintenance/Operations Challenge Team
Jeff Bullock	Operations/ Operations Challenge Team
Paul Pope	Laboratory
Michael Lee	Controller
Brock Thompson	Mechanic/ Operations Challenge Team
Anthony Rizzuto	Operations/ Operations Challenge Team
Brady Adams	Operations/ Operations Challenge Team
James Magill	Mechanic
Isaac Talbot	Safety Manager
Patrick Roche	Safety Specialist

Member Entity Representatives Present:

Greg Neff	Cottonwood Improvement District
Spencer Evans	Cottonwood Improvement District
Dennis Pay	South Salt Lake City
Giles Demke	Mt Olympus Improvement District
Stephen Rohwer	Mt Olympus Improvement District
Brandon Richards	Murray City

Mark Chalk

Taylorsville-Bennion Improvement District

Visitors Present:

Neil Kunz

Brown and Caldwell Engineers

Visitors Present Electronically:

Dan Griffin

Department 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. Keith Lord led the Pledge of Allegiance.

APPROVAL OF MINUTES

LeAnne Huff made a motion to approve the minutes of the April 18, 2024 board meeting as presented.

MOTION: LeAnne Huff

SECOND: Keith Lord

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

PUBLIC COMMENTS

No comments were received.

GENERAL MANAGER COMMENTS

1. **Engineering Report** – We had a request to add information to the Engineering Report which is presented monthly in the information items section of the board book. This new information will include project schedule notes.

**CVWRF WEAU AWARDS – PROGRAMS, STAFF, AND OPERATIONS
CHALLENGE TEAM RECOGNITION**

Dr. Phil Heck discussed the process of nomination, interview and selection for the WEAU awards. He reported on the awards that CVWRF received at the WEAU annual conference. The following awards were received:

Outstanding Safety Program Award – Isaac Talbot and Patrick Roche

Outstanding Laboratory Technician Award – Paul Pope

Outstanding Maintenance Specialist Award – James Magill

Outstanding Biosolids Program Award – Michael Earl

Outstanding Supervisor Award – Joshua Hunsaker

Five S Award (Select Society of Sanitary Sludge Shovelers) – Josh Hunsaker and Hadley Gunn were accepted into this group. This is for service/volunteering with WEAU.

The 2024 Operator Challenge Team consists of: Jay Nowell, Brady Adams, Jeff Bullock, Anthony Rizzuto, Homer Melgar, and Brock Thompson. The team was awarded:

First Place in Laboratory Event
First Place in Maintenance Event
First Place in Collection System Event
First Place in the Process Control Event
First Place Overall

The team will represent Utah at the national event at WEFTEC in New Orleans in the Fall. The Board congratulated each award recipient.

APPROVAL OF RATE CHANGE – SEPTAGE HAULER RATE

Dr. Heck stated that earlier this year we began evaluating the rates that CVWRF is charging septage haulers.

This year our operations staff performed sampling of the septage haulers and we conducted laboratory testing for BOD, TSS, metals and several other parameters. An updated rate was then developed based upon the flow and loading (BOD and TSS) using the same formula we use to charge our member entities on a monthly basis. Factors for this formula include cost of treatment by applying the previous year (2023) facility operating cost and depreciation, which leads to a cost per gallon.

The current septage hauler rate is 7 cents per gallon. The sampling and updated calculation supports an increase to 9 cents per gallon. We conducted a poll of other nearby entities in Utah that accept outside septage, and the costs ranged from 8 to 11 cents per gallon.

After further information was received it was determined that a public hearing will need to be held to increase this rate. This will be done in conjunction with the budget public hearing.

APPROVAL OF PROCUREMENT POLICY AMENDMENT

Justin Zollinger stated that during the 2024 legislative session, House Bill 125 required Interlocal Entities to have a procurement policy in place that met certain requirements of the state's procurement policy. CVWRF staff have reviewed the requirements of the bill and CVWRF is in compliance with all the listed provisions except for a minor language change regarding contractual terms. The provision requires procurement policies to limit the length of a contract and allow for documented exceptions. As a result, we need to modify Section IV of the current policy. The modified language is in italics below:

IV. CONTRACTUAL TERMS

- A. Multi-Year Contracts: CVWRF may enter into multi-year contracts. In particular, a contract for supplies or services may be entered into for any period of time up to five years *without Board approval, or longer if approved by the Board*, provided that the term of the contract and conditions of renewal or extension, if any, are included in the solicitation and funds are

available for the first fiscal period at the time of contracting. Prior to the utilization of multi-year contract, it should be determined in writing that estimated requirements cover the period of the contract and are reasonably firm and continuing and that a multi-year contract will serve the best interest of CVWRF by encouraging effective competition or otherwise promoting economies in CVWRF procurement.

There were no questions or comments from the Board.

Don Russell made a motion to approve the change to the procurement code as noted above.

MOTION: Don Russell

SECOND: Cheryle Hatch

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

ROCKY MOUNTAIN POWER CONTRACT NEGOTIATION

Dr. Heck stated that for the past several years we have been reviewing and evaluating the expected power consumption and loads needed for the Facility as construction ends and we bring on new buildings and processes. We approached Rocky Mountain Power (RMP) to discuss power needs. RMP required CVWRF to pay for a study to determine the capacity of the existing main feeder. The current capacity on the main power pole as it comes into the Facility is 6MW, which is sufficient to cover the needs of the current plant and the new BNR process. We also requested them to review the possibility of getting an alternate circuit to CVWRF to create redundancy and reliability.

The different types of power were discussed, supplementary power (used in conjunction with cogeneration power to meet facility demands) and backup power (used in case of loss of cogeneration power). We currently contract to purchase 1,000 kW of supplementary power. The rest of the power we use, up to 3.4 MW, we are able to generate ourselves with the cogeneration system. Also, in the contract is 1,100 kW of backup power that we can use, and they are obligated to supply. The price/rate for utilizing backup power is higher than supplementary power. If we use above the sum of the supplementary and backup power (2,100 kW) we can be charged for excess power at a very high rate.

In an evaluation conducted by staff it was determined that we may need 3,600 kW of supplementary power and 1,100 kW of backup power for a total of 4,700 kW of total power as the BNR process comes online. These numbers are estimated on the high side, as we cannot fully evaluate the usage until all the processes and equipment are operating.

RMP notified us that we needed to lock-in and reserve/guarantee future capacity in the existing power feed by May 1, 2024 and begin paying the fixed fee charge for these new rates but not the power usage charge. The cost estimate CVWRF received for the redundant power source would have required CVWRF to install the line at an exorbitant price. We have declined the redundant power circuit.

Staff came to a decision to initially select 3,600 kW of backup power and 1,400 kW of supplementary power (5,000 kW total) to save on fixed fee costs while preserving our line capacity. The ratio of supplementary to backup power will be periodically adjusted as supplementary load requirements increase with the new process. The new power contract will cost an additional \$110,940 for the next six months. This will fit within our existing budget. Once all the new facilities/processes are constructed and operating power demand is established, we may be able to lower the 5,000 kW capacity reserved at the pole.

Dr. Heck gave some history on CVWRF's interest in joining UAMPS and procuring power through them. This led to disagreement with RMP who, by statute, can be the only provider of power to CVWRF. Graham Gilbert discussed potential political/legislative options in order to have UAMPS provide power to CVWRF. CVWRF continues to be a member of UAMPS and will continue conversation with them to review our options. Mr. Gilbert indicated that if the Board is interested in pursuing a legislative solution, then we need to begin the process now for it to be considered in the January 2025 session.

SCHEDULING OF CONSTRUCTION PROJECT SITE WALK

After discussion it was decided that a site walk will be done after the July 18, 2024 board meeting.

CAPITAL PROJECTS UPDATE

Mr. Kevin Gallagher presented a drone video of the following projects:

Blower Building Project	BNR Basins Project
Side-Stream Nitrogen Removal Project	Thickening and Straining Building Project
Dewatering Building Upgrade Project	

CLOSED SESSION TO DISCUSS THE LEASE OR SALE OF REAL PROPERTY

At 4:01 p.m., LeAnne Huff made a motion to go into closed session to discuss the lease or sale of real property.

MOTION: LeAnn Huff

SECOND: Cheryle Hatch

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

At 4:27 p.m., Cheryle Hatch made a motion to come out of closed session.

MOTION: Cheryle Hatch

SECOND: Keith Lord

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

INFORMATIONAL ITEMS

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

There were no comments or questions.

ADJOURNMENT

Don Russell made a motion to adjourn.

MOTION: Don Russell

SECOND: Keith Lord

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

The meeting adjourned at 4:28 p.m.

Cindie Foote
Board Secretary