

**MINUTES**  
**CENTRAL VALLEY WATER RECLAMATION FACILITY**  
**Wednesday, September 27, 2023**  
**Central Valley Board Room**  
**4:00 p.m.**

**Board Members Present:**

Chair Debra Armstrong	Granger-Hunter Improvement District
Vice Chair Don Russell	Taylorsville-Bennion Improvement District
Member Wesley Fisher	Cottonwood Improvement District
Member Jeff Monson	Kearns Improvement District
Member Giles Demke	Mt Olympus Improvement District
Member Brett Hales	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
Bryan Mansell	Chief Engineer
Kevin Gallagher	Construction Supervisor
Navneet Prasad	Electric Controls Engineer

**Staff Members Present Electronically:**

Cindie Foote	Employee Services Manager
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**Member Entity Representatives Present:**

Greg Neff	Cottonwood Improvement District
Kerry Eppich	Mt Olympus Improvement District
Ben Ford	Murray City
Greg Anderson	Kearns Improvement District

**Member Entity Representatives Present Electronically:**

Stephen Rohwer	Mt Olympus Improvement District
Mark Chalk	Taylorsville-Bennion Improvement District
Dennis Pay	City of South Salt Lake
Troy Stout	Granger-Hunter Improvement District

**Visitors Present:**

Trevor Lindley	Brown and Caldwell Engineers
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**Visitors Present Electronically:**

Dan Griffin	Department of Water Quality
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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. Giles Demke led the Pledge of Allegiance.

### **APPROVAL OF MINUTES**

Don Russell made a motion to approve the meeting minutes of the August 23, 2023, Board meeting as presented.

MOTION: Don Russell

SECOND: Jeff Monson

The motion passed with the following individuals voting in the affirmative: Debra Armstrong, Don Russell, Giles Demke, LeAnne Huff, Jeff Monson, Brett Hales, and Wes Fisher.

### **PUBLIC COMMENTS**

No comments were received.

### **GENERAL MANAGER COMMENTS**

- 1. Utah Safety Council Awards** – CVWRF received an award of merit for Outstanding Overall Safety Performance as well as a Perfect Record Reward. CVWRF went twelve consecutive months without an OSHA recordable injury/illness for days missed.
- 2. WEFTEC Reminders** – CVWRF will be conducting an exhibition floor walk on Monday at 1:00 p.m. An email invitation was sent out along with a map showing where to meet. The Operators Challenge schedule has been published and most events will be held on Tuesday. Please come over and support the two Utah teams.
- 3. Dakota Pacific Lease Amendment Update** – We are still negotiating this with them. There is no further update at this time.
- 4. Reminder of Budget Public Hearing** - The hearing will be held Wednesday, October 11<sup>th</sup> at 6:00 p.m.

### **PRESENTATION, DISCUSSION AND ADOPTION OF THE 2024 TENTATIVE BUDGET**

Mr. Justin Zollinger gave a PowerPoint presentation, which outlined the 2024 Tentative Budget. The four major categories of the budget are Wages and Benefits; Operational; Debt Service; and Capital.

In the Wages and Benefits budget, the health insurance rate has not been increased. The national average increased 7 percent. The Cost-of-Living Adjustment (COLA) is 5.66 percent as calculated by the three-year running average of the west region CPI-U. We currently have a half-time position in the Laboratory and one quarter-time position in Engineering that we are proposing to be combined into one full-time position. The total Wage and Benefits budget increase is 6.84 percent.

Mr. Giles Demke asked if it would be feasible to bring janitorial services in-house. Mr. Zollinger indicated that he would conduct an analysis of this and bring it back to the Board for discussion.

The Operating budget contains subcategories of Operations – increased \$142,900 over prior year; Contract Services increased \$176,000; Utilities decreased \$43,000; Chemicals increased \$207,000; Maintenance increased \$290,000; Insurance increased \$49,700; Contingency remained unchanged. Use of the contingency budget requires prior Board approval.

The Capital budget contains the following major construction projects:

- Thickening Building \$24.3 million
- Dewatering \$24.2 million
- BNR Basins \$24.1 million
- Blower Building \$6.3 million
- Side-stream Nitrogen \$4 million
- Site Restoration Design \$350,000

For the Debt Service budget, CVWRF will issue the final bond to provide funding for construction completion. The bond amount is estimated to be approximately \$53M. CVWRF's approach to reduce the bond taking will be to apply a portion of the Pay-Go capital funding to the large capital projects. By doing so, we anticipate reducing the bond taking by \$6.1M. The Pay-Go funding level for this approach is proposed at \$7.5M, which is an increase of \$500,000 over the prior year. This will also help maintain our required 1.25 debt service coverage ratio.

Mr. Zollinger gave the required annual cash account review. At 2022 year's end, the cash reserve balance was \$7,822,192. On 7/31/2023, the cash reserve balance was \$8,534,252. The calculated maximum cash reserve allowance is \$10,116,775 for a difference of \$1,582,523.

Brett Hales made a motion to adopt the 2024 Tentative Budget as presented.

MOTION: Brett Hales  
SECOND: Jeff Monson

The motion passed with the following individuals voting in the affirmative: Debra Armstrong, Don Russell, Giles Demke, LeAnne Huff, Jeff Monson, Brett Hales, and Wes Fisher.

**TECHNOLOGY-BASED PHOSPHORUS EFFLUENT LIMITS (TBPEL) RULE  
VARIANCE – YEAR 7 PROGRESS UPDATE**

Dr. Heck stated the variance to the Phosphorus Rule was obtained seven years ago. As part of the variance, we are required to annually update the Division of Water Quality with our progress toward meeting the Rule.

The letter included in the Board Book describes CVWRF's progress in three categories: TBPEL Design and Construction; Design and Construction of the Biological Nutrient Removal Process; and Financial Planning and Bonding.

Mr. Demke asked if there had been any further conversations or correspondence from Water Quality regarding the ammonia violations the Facility had over the summer months. Dr. Heck responded that he has received an email acknowledgement from John Mackey, Director of the Division of Water Quality. It is reported by letter to the Director and is also reported through the monthly DMR report. There is not always a response to these issues, and they remain open for two years.

#### **DIVISION OF WATER QUALITY COMPLIANCE EVALUATION INSPECTION + BIOSOLIDS INSPECTION REPORT**

Dr. Heck stated that the Division of Water Quality periodically comes onsite to perform a compliance evaluation of the Facility. Earlier in the month we received the report. A copy of which is included in the Board Book.

Dr. Heck noted that on page 3 of the report, it was stated that "the Facility, overall, was observed to be well maintained and operated during the ongoing major upgrade projects which are scheduled to be completed in 2026". No deficiencies were found or noted.

Mr. Wes Fisher asked about the renewal date for the UPDES permit. It states it is due December 31, 2026. Dr. Heck responded that the permit is for a five-year period. A renewal application will be submitted 180 days before the expiration date. The variance, as discussed above, relates to a rule change that adds a Phosphorus limit of 1.0 mg/L to the permit. The variance allows us an interim limit of 4.0 mg/L, and then by a certain date it changes to the required 1.0 mg/L.

#### **FAIRFIELD PROPERTY UPDATE**

As discussed previously, CVWRF sent a letter to the Town of Fairfield with regard to their proposed General Plan. These related to our concern that they were trying to regulate our biosolids land application within their town. The application of biosolids is regulated by our permit that is issued by the State through the Department of Water Quality under authority delegated by the U.S. EPA. The issue has been raised with the legal firm of Holland & Hart which represents Wasatch Front Water Quality. This is a broader issue that could affect other treatment facilities that require disposal of biosolids. More research will be needed before CVWRF responds further to Fairfield.

Mr. Graham Gilbert stated that along the south side of CVWRF's property is a road that leads to another parcel owned by Farm Training Facility at the southwest corner of the property.

We have been discussing and working toward obtaining an easement with Farm Training to use the road for trucking biosolids onto our property. Farm Training believes the road is private. There is a gate on the road. The town has now declared the road as public. This is inconsistent with past communication between Farm Training and the County. We are still awaiting a determination on this designation, before moving forward with an easement.

**DISCUSSION AND APPROVAL OF DEWATERING BUILDING SUBSTATION TRANSFORMER (1500Kva)**

CVWRF will be installing a new substation transformer that will be in addition to the existing substation transformer located east of the Dewatering Building in the transformer yard. This is a replacement for an aging and undersized existing 750 kVA transformer. It is critical to the design of the project that the new transformer fits within the existing transformer space while maintaining a minimum safe distance as required by OSHA and NEC.

Because the projected lead time for equipment is approximately 130 weeks, procurement of the necessary equipment must be completed in order to not impact the project schedule and sequencing.

Brown and Caldwell completed an RFP with technical specifications and a bid package for the transformer. This is a sole source of Eaton gear based on existing spatial constraints and to maintain consistency with existing Facility equipment.

One bid was received from Codale in the amount of \$511,182.

Wes Fisher made a motion to award the contract to Codale for the purchase of the Dewatering Building Substation Transformer in the amount of \$511,182.

MOTION: Wes Fisher

SECOND: Don Russell

The motion passed with the following individuals voting in the affirmative: Debra Armstrong, Don Russell, Giles Demke, LeAnne Huff, Jeff Monson, Brett Hales, and Wes Fisher.

**CAPITAL PROJECTS UPDATE**

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

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

Mr. Brandon Heidelberger stated that we are completing the last details on the Dewatering Design Project, and it will go out to bid in a couple of days. A pre-bid meeting is scheduled

October 12, 2023 with the onsite prequalified contractors. We anticipate a bid award recommendation in the November Board meeting. We are working on procurement of the dewatering centrifuges as well as the belt filter presses.

**INFORMATIONAL ITEMS**

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

There were no further comments or questions.

**ADJOURNMENT**

Jeff Monson made a motion to adjourn.

MOTION: Jeff Monson

SECOND: Don Russell

The motion passed with the following individuals voting in the affirmative: Debra Armstrong, Don Russell, Giles Demke, LeAnne Huff, Jeff Monson, Brett Hales, and Wes Fisher.

The meeting adjourned at 5:00 p.m.

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Cindie Foote  
Board Secretary