

Timpanogos Special Service District
Administrative Board Retreat Minutes
6400 North 5050 West Utah County, Utah

APPROVED

September 19, 2024 8:00 a.m. Conference Room

Board Members:

Present: Sullivan Love (Chair) David Bunker Chris Condie
 Joel Thompson Brent Rummeler Neal Winterton
 Richard Nielson Mack Straw Blaine Thomas
 *Chandler Goodwin (Vice Chair)

By Phone: *Mark Christensen

Excused: Brian Braithwaite

District Staff: Richard Mickelsen, District Manager Shannon Hansen, Administrative Manager
 Sam Grimes, Treatment Manager David Barlow, District Engineer
 Danette Smith, Board Secretary Brian Selck, Lab Director
 Joe Martin, CPA

Others: Kasey Chesnut, Horrocks Engineers Trevor Lindley, Brown and Caldwell
 Brandon Wyatt, Bowen Collins & Associates Ryan Bench, Carollo Engineers
 Brad Rasmussen, Aqua Engineers Wade Stinson, Aqua Engineers
 Jeff DenBleyker, Jacobs Engineering Dave Epstein, Jacobs Engineering
 Susan Spore, Brown and Caldwell Ryan Dooley, Brown and Caldwell
 Brian Child, Olympus Insurance Mark Bell, Hayes Godfrey Bell P.C.
 Jodi Hoffman, Hoffman Law Eileen H. Miller, UVHBA
 Steve Nelson, 3G Consulting (BYU) Brad Rasmussen, Aqua Engineers
 Mark Weldon, WICP Properties Lauren Weldon, WICP Properties

Call to Order

Sullivan Love, Board Chair, called the meeting to order 8:11 a.m.

A.

1. Public Comment

Mark Weldon, WI Commercial Properties, said he was here on behalf of 60 tenants that rent buildings from them which are close in proximity to TSSD. Mark said they knew when they bought property here what they were getting into. They know the District was here first, and recognize the District's challenges of growth, capacity, cost, and inflation. Mark said they are also under a lot of pressure. The changes in Covid, work habits, and work from home movement have decimated office buildings. They are operating at less than 50% occupancy. Mark said they understand with the great communication from Lindon Mayor, Carolyn Lundberg, that the District has a good plan going forward and they applaud the efforts. Mark said they know there are challenges. He would urge the District to have redundancy in peer review, from competing firms so that you can make sure you get a great product that builds in that redundancy, and you have cost control. They would urge the District not to rush and to do it right. In the interim if there is something that can be done to mitigate some of the by-products and clean air, and get this communicated out to all the tenants, maybe they end up staying in business and get a return. Mark said they did not come here to build properties to sell them, they plan to be here for a long time. Mark said he has been very vocal to raise awareness and get the attention that it is a big problem, and the last thing they want is to file a lawsuit. Mark said they do not want to shed a negative light on this part of the county. Mark said he received comments regarding

1 making a master plan and incorporating the wetland. He has a lot of experience with ACE and how long that process
2 can take so he urges the District to be careful in that thought process of combining the two, if it ends up causing
3 further delays. Mark said he appreciates being invited here today and appreciates the District moving forward.
4 Sullivan said he appreciates Mark's comments and asked him to leave his contact information so we can share any
5 information we have. Mark said if they receive a positive statement that they can provide to all the tenants and
6 employees and they know what the District's constraints are and the vision with proposed timeline, that will go a
7 long way.

8 * Chandler Goodwin arrived. 8:20 a.m.

9 10 **2. Safety Report**

11 Brian Child, Olympus Insurance, reviewed the District's safety report. Fortunately, the District has
12 performed quite well due to the lack of claims. Regarding worker's compensation and employee safety, every
13 employer is issued an experience modifier (EMOD). If you look at the last few years the District has been
14 performing exceptionally well with an EMOD of .7 for 2024, which is 30% better than the average. Since 2020 there
15 has been minimal claim activity. Brian said he thinks the big change that the District has made is identifying the root
16 cause analysis for these claims and putting corrective action in place.

17 For property liability claims, the story is very similar. In the past there were a few years with some bumps,
18 but the District has really performed exceptionally well in the last year. That shows the level of attention being paid
19 to safety and overall risk management for the District and the staff.

20 Brian said Builders Risk Insurance is the insurance mechanism you put in place on a capital project while it
21 is under construction, before completion and before that asset is transferred to the permanent property insurance.
22 There are several large projects in the works, which is an exciting and stressful time to be part of the District.
23 Significant efficiencies can be achieved by taking an approach where the owner is control of the builder's risk
24 insurance. Typically, this is a pass-through item contractors add to their bids, and with individual projects there
25 would be a policy for each. By consolidating those, there are some pretty tremendous efficiencies the District can
26 obtain. As an owner, we will need to live with these assets for many years and would have a long-term view for
27 determining the scope of the insurance treatment. Occasionally these builders risk policies can get marked up by the
28 contractor. Brian said there is roughly a 50% average improvement on the cost and far fewer claim disputes with
29 this approach.

30 31 **3. Overview**

32 **i. Rich**

33 **1. Year in review**

34 Rich said the draft 2024-2025 draft budget book is ready and we will review it today. Also available for
35 review is the Capital Improvement Projects worksheet. We will review every project today and give an update of
36 where we are on those. Some will be presented by TSSD and staff or by engineers doing the work. Rich reviewed the
37 District's website and said all of the information provided today will be uploaded there.

38 Rich said the 2020 Master Plan and Capital Improvement Plan is now up to \$1,193,000,000 (billion).
39 Collections projects are \$392 million, and treatment projects are \$801 million. Rich said to give a view of what that
40 looks like, in 2020 this was going to be \$583 million, and the costs have escalated over the years with inflation. The
41 presenters will give a project update, to inform on what is happening in the near future (2025) and give an idea of
42 what the ask will be. Rich said his administration asks are to put in a second well to use our water rights in a different
43 location, 2024 fleet, and employee staffing. Rich serves on the Utah Lake Watershed Council that was set up by the
44 Governor and the ULWQS Steering Committee. Rich will be presenting at the Utah Water Law Conference on
45 October 15th. He shared that presentation with the Board.

46 Rich said in 2020 there was an Odor Study with Jacobs Engineers (\$100K). As part of that odor study, odor
47 sensors were put throughout the plant. Those are still in place. We have odor scrubbers on our headworks, which is
48 a major source of odor and those have a 99% efficiency of removing odors. We stopped composting to comply with
49 the settlement agreement to end composting by January 2020 and initiated hauling contracts. We send our biosolids
50 to Wasatch Regional, Bayview/Northpoint and Intermountain Regional Landfill (IRL). The 2024 hauling budget line
51 item is \$3.3 million. We have contracts with those landfills and there have been challenges with those contracts. We
52 have also had to change haulers. Currently we have one hauler. Their contract says they will haul 90 tons, and they
53 have three trailers that meet the 90 tons. Bayview/Northpointe have said they do not want to take the biosolids
54 anymore and have been dialing us back. IRL was picked up and the hauler has been hauling more to them. The
55 problem with that is landfills are only open M-F and IRL is open half day on Saturday, and we process 100-180 tons
56 per day depending on time of year. That is a large amount to have to adjust for, so when we dewater, we have been

1 putting it in a holding pit. That is where our odor problem has been coming from. It gets cooked by the sun and then
2 it is scooped up in the trailer and then there are odors. Rich gave some long-term solutions (\$527 million) and short-
3 term solutions (\$212k). Rich said short term we have to get from October 2024 through the dryer process being
4 completed in 2027 (Pkg A). Rich thinks we will have a significant improvement in 2027. In the interim, he has
5 planned to modify our aerobic digester to fine diffusers to hold the biology in these aerated digesters and have
6 already made some changes to some of those. Instead of putting the dewatered solids in the pit, we will put it directly
7 into the trailers, which means we need to add 2 more trailers. We can have them built and here in six weeks. Rich
8 said he will have that as an action item for the October board meeting.

9 The long-term solution (\$527million) is PCAD (Primary Clarifiers/Anaerobic Digester) - Pkg A Thermal
10 Dryer (\$114 million), and Pkg C primary clarifier and egg digesters (\$413 million) is best in class anaerobic
11 digesters. It will take until 2029 to get those digesters done. Rich said he could work with our neighbors on those
12 short and long-term solutions, and we could put together some type of statement to bring to the board for approval.

13 Federally, PFAS rules have now been incorporated into law January 9, 2024, for drinking water and the
14 CERCLA is 11b/24-hr period. We have been testing our PFAS streams to know where we are at and whether TSSD
15 is in a good position. We do not have a lot of PFAS in our influent, effluent, or biosolids. For PFOS we have non-
16 detect and so we are still pushing for our biosolids to be an amendment for land application.

17 **2. TSSD Name change**

18 We will be changing our name in the near future. Rich said the new name should describe us, and it should
19 have a purpose and possibly be memorable. Rich asked if there were any name suggestions. Staff would like to keep
20 it TSSD because that is what most people know us by. Some suggestions were Timpanogos Improvement
21 Reclamation District (TIRD), Timpanogos Special District (TSD), Utah Sewer Club, Northern Utah Sewer
22 Improvement District, Timp Special Sewer District (TSSD), and Timpanogos Environmental Reclamation District
23 (TERD).

24 **ii. Sam Operations/Maintenance Year in review**

25 Rich introduced Sam Grimes. Rich said Sam took over for Alan Robinson as the Treatment Manager. He
26 has at least 10 years of sewer district background. Sam said he took over for Alan when he left early this year and
27 Wootton Redmond replaced Sam as the Operations Supervisor. We have hired one operator this year and then had
28 one leave for another district and better a paying position, so we have one vacancy there. We hired four maintenance
29 technicians, and one did not work out, one is taking another job and expected to leave shortly. We have two
30 vacancies currently and one more will open shortly. Staffing has been a constant struggle. Additional staffing will
31 be needed as we expand, and Rich will talk about that. Sam said ManagerPlus (asset manager software) changed to
32 Eptura. It still has the same functionality. We are at 66% planned work and 34% unplanned and the goal is to get to
33 80% by this time next year. The are 199 preventative maintenance plans and counting. That will probably double by
34 2028 when we get our new processes.

35 Sam said cleanliness has been our goal since on-site composting ended. An aerial photo from 2018 vs 2024
36 shows not many solids are on site. The solids holding basins raise bacteria to treat the wastewater. The bacteria
37 continually grow, we get rid of some in order to not end up with a big mud pit. We waste them into an aerated
38 holding tank and can only keep those bacteria for so long before they start releasing phosphorus. It is a fine balance,
39 but we are working on some solutions. We were running on a tank that was just over .5 mg, and we are working to
40 expand to 2.182 mg worth of storage. A sample program, implemented by our consulting engineers, monitors the
41 phosphorus release as we do this, so we do not violate.

42 The Orege Pilot was worked on as part of the dryer package. Orege said they could increase the solids
43 percentage by 2% which would decrease gas we need to heat up the sludge and dry it out. The O & M savings were
44 promising. We went through the pilot, and it failed. The inDense Pilot system selectively wastes the undesirable
45 bacteria and tries to keep the desirable bacteria. We started the pilot and saw promising results but ended up getting a
46 lot of trash going through these cyclones. We like this technology as it effectively increases our efficiency and can
47 lower the amount of tankage we need in the future. We tried putting a screen on the intake of the pump to prevent
48 clogging which didn't work. We tried a strain press from a different company to strain garbage out of sludge. We
49 have been running that for about 6 weeks now and it has good potential, but there is still some clogging.

50 The blowers are a fairly new piece of equipment for us. As part of the preventative maintenance plans, we
51 do oil samples on these. We got a positive test for metal in the oil, so we immediately sampled the rest of the
52 blowers and most of them had traces of metal. We contacted the manufacturer, and they sent people out for
53 diagnosis and found one particular gear inside that was getting chewed up. They took the two worst blowers,
54 disassembled and shipped them back to their factory. They found they had an oil that would actually heat up under
55 friction. They stopped using that and got us new oil and, in the process, found the material hardness of the metal
56 gears from their supplier was an issue. They have gone back and reengineered this gear from a different supplier.

1 They are scheduled to test these two blowers in the next couple weeks at their facility and then ship them back, and
2 then will be on site to do repairs to all nine blowers. They have been very good to work with and they are going to
3 restart our 3-year complete warranty and the 10-year rotating assembly warranty.

4 Sam said another project we have is a noxious weed control plan. Jacobs wrote that plan for us and it is part
5 of our wetland mitigation. We have started applying herbicide and are also contracted with Utah County to apply
6 herbicide annually. Also, TSSD staff have been working to remove invasive woody species.

7 Sam said the Limno Corrals have been redesigned by maintenance staff with HDPE pipe. They are very
8 sturdy and require minimal repairs and we have seen some promising preliminary results.

9 10 **4. Engineer updates**

11 i. Asset Management

12 ii. Bowen & Collins

13 1. CL-R1

14 2. CL-N2/LS1

15 3. CL-N4

16 4. LS-3

17 5. CFP

18 Brandon Wyatt, Bowen Collins & Associates, said he would review upcoming projects they are working on
19 with the District. Brandon said they have been working with the District for many years and he began working with
20 the District in 2012 on the last expansion project. It has been a fruitful relationship and professionally beneficial for
21 him and he appreciates what he has been able to learn as he has worked together with the District. Brandon said they
22 sincerely appreciate the confidence the District continues to show in them and allowing them to help with some
23 significant projects taking place.

24 The Boat Harbor Pump Station (LS-1) final design package was recently awarded to Bowen Collins and
25 Hazen and Sawyer. The preliminary design is in the process of being completed and final design is now started and
26 anticipated to go through next year. Construction is anticipated to start early 2026 and continue until 2028. This is a
27 57 mgd pump station with screening, grit removal and odor control. It is located next to the Utah Lake Boat Harbor
28 Marina in American Fork.

29 The Lakeside Interceptor (CL-N2) project goes from Lehi Center Street across the north shore of Utah Lake
30 to the new pump station. This is augmenting an existing 60" concrete line that was built in the late 90's. It will
31 include a new 78" pipe and another 78" pipe in the future. They are currently finalizing alignments. There is a lot of
32 interest in this, especially as it relates to other transportation projects going on. The current work includes
33 coordinating with American Fork City on location of their Lake Shore Drive transportation feature and trying to co-
34 locate the District's line with that facility. They should be able to finalize the alignments for this pipeline this year
35 and complete preliminary design as that happens. Then move into final design, and easement allocation with a goal
36 of starting construction in 2026.

37 The BHPS Force Mains (CL-N4) are two 54" force mains the BHPS will discharge into. They are currently
38 slated to be constructed in 1700 south and bring flows from the BHPS to the plant. They will discharge directly into
39 the primary filtration system that is being envisioned, designed and built here at the plant. The BHPS is providing
40 capacity that the district needs long term. They are finalizing alignments, working with property owners. The design
41 is underway and will continue through next year. Construction will take place 2026 – 2028.

42 Replacement of the Lehi/American Fork Outfall (CL-R1) is currently under construction. It is replacing the
43 existing 42" pipeline with a 54". It is under construction and the contractor is working in the vicinity of the
44 Woodside Homes project. There has been mixed success in the construction efforts, but the contractor is getting it
45 figured out and starting to make good progress. There are some ongoing easement acquisitions happening. There is a
46 public involvement website (tssdsewerproject.com) to keep the public informed. The current plan is to continue the
47 work here until they are out of the way of the development that is happening and then relocate and come to the
48 beginning of the treatment plan. Within the next few months, you will see significant impacts from that project at the
49 plant entrance.

50 Dry Creek Lift Station Pump Improvements (LS-3) will replace pumps, electrical and controls to meet area
51 growth. Design will take place this year through early next year, with construction slated for next year. Brandon
52 said design fees are accommodated for, and the project has been awarded. Next year they will come to the board for
53 construction management estimated at \$250K and then construction is anticipated to be around \$2.1 million.

54 The structural rehab of the 60" line (SR-1) runs between the existing BHPS and the treatment plant is a line
55 that has been in place since the late 1990's. Once the BHPS and force mains are completed this line will be

1 abandoned, but it does need to continue to serve the District until that point. In the coming year, they will get
2 cameras back in that line to make sure it has adequate life to continue to provide reliable service until we are done.

3 Brandon said as part of the District's ongoing planning efforts in 2025, there will be a CFP update (AD-5).
4 As part of that, they are out surveying manholes in the system in order to update the District's hydraulic model. The
5 hydraulic model software they have used in the past has been discontinued so they will be updating to a new software
6 package. It is a GIS based package which will bring some significant advantages to be able to map and keep track of
7 the District infrastructure and look at growth and flows coming into the system to forecast going forward. Later
8 today there will be a public hearing on an interim IFFP/IFA addendum for impact fees on updated project costs. It is
9 anticipated that those fees will be implemented January 1, 2025. Then next year they will do a new CFP/IFFP/IFA.
10 Brandon said they will come to the Board in January to ask for \$350K for the CFP update.

11
12 iii. Horrocks

13 1. CL-N1

14 2. CL-R2

15 Kasey Chesnut, Horrocks Engineers, said they are working on the CL-N1 parallel westside interceptor 66"
16 line. There is a public information website for this project (tssdwestsideinterceptor.com). They have 6000 ft. of 66"
17 installed with 4000 ft. remaining. The east and west diversion structures are complete and currently flowing
18 wastewater. The current contract is through January 2025 with likely completion in the second quarter of 2025.
19 Some of the challenges on this project have been obviously dewatering, where this is next to the lake and then also
20 being adjacent to the 54" line. There has been special care taken to avoid any conflicts or trouble with that line.
21 They are at about 575 West in Lehi and will be heading west the last 4000 ft.

22 Up next for Horrocks is the CL-R2 Alpine/Highland Outfall line, that takes flow from Alpine as well as the
23 Dry Creek Lift Station. It is along 6400 West and a small segment on 10400 N. It is about a \$4.5 million budget from
24 the updated IFFP Technical Memo.

25
26 iv. General – Rich Mickelsen/David Barlow

27 1. CL-R2

28 David Barlow said the CL-R2 project is slated to start now, but design has not started. The segment just
29 below that is a 21", so we would be going from 24" down to 21" and back up to a 24" and 30". It is not good
30 practice to downsize a sewer from a larger pipe. One thing we might look at with the CFP is extending that or doing
31 another project to the CL-R3. It is a steeper slope through there, and we are close on capacity, so that is one thing we
32 will be looking at in the CFP.

33 2. CL-R4

34 David said UTA is adding a third track through Utah County, and it impacts the District in Lehi. We have
35 our Lehi Meter there and our 24" line is right under the track. They need to move that meter and that line. They will
36 pay for the cost of the 24" but we ought to look at upsizing that portion now rather than coming back in 2040. They
37 are going to have to put the line underneath the abutment in a casing. At minimum, we need to make the casing big
38 enough to handle a 36" in 2040. David would recommend going ahead and upsizing now to a 36" and the District
39 pay the difference. We just found out about this in the last month. They already have a contractor on board. It is a
40 design build, and they are going through the design phase right now. So that would be a potential ask but we do not
41 know what that is at this point.

42 3. Safety Ladder

43 Rich Mickelsen said this was introduced last year. Rich estimated then that it would be about \$250k and he
44 was wrong. We will put one ladder on one end of the bioreactors and one on the other. We have separate sections
45 where we are going to put doors that can open and would be in the flow of the water. There will be two ladders and
46 four doors for each of the basins. There are support arms on the ladders as the walkway above is extended. This will
47 be an ask in the near future and the price is \$585K. Rich said he thinks this is needed for our staff to get in and out of
48 those basins in a safe manner.

49 4. Well (Second location by Package B)

50 Rich said we have over 250 acre-feet of water rights and if we do not use them, we get to donate them back
51 to the state. We use that much water in our processes in the plant for polymer makeup and rinsing of the dewatering
52 process. We are looking at incorporating that water directly into the dewatering building. Rich said last year
53 everyone was in favor of keeping our water rights. Our water rights attorney, Jeff Appel, is recommending we have a
54 second location and since the location is beyond 600 ft. we are going to have to go through a change application.
55 Rich is recommending drilling a well with Pkg B and having that reuse water available. We would have to pay for
56 the extra design and drilling of the well and have that water to be used in the plant processes.

1 5. TP-3: Bioreactor improvements

2 Rich said the bioreactor improvements were on the schedule to begin in 2028. He moved it up because we
3 are currently running 5-6 of bioreactors of 8. He is pushing for the safety ladders because the aeration zones break all
4 the time. That means essentially 2 weeks of staff time draining, cleaning, fixing and then getting the biology up and
5 running again. As we get closer to 2028, we will be running 7 of these bioreactors which means that we only have
6 one extra. That was already in the plan, so we have Brown and Caldwell go through that process.

7 6. TP-1: Influent PS Retrofit

8 Rich said the two main things for this retrofit are the pumps will need to be upgraded for the primary
9 clarifiers, and we will add headworks screen with platforms.

10 7. TP-10: Fleet

11 Rich said previously we have had \$500k every year, as a placeholder. Rich has asked Sam to have a
12 replacement plan, so the asset management has the fleet and their useful life expectancy. Now we will have an actual
13 plan for every year. We are modifying 2024 to \$611k, 2025 - \$76k, 2026 - \$240k, 2027 - \$1.2 million, 2028 - \$138k
14 and 2029 - \$1.4 million. That is today's dollars and those will be escalated with the 3% inflation. Rich said we need
15 to purchase a telehandler to help trash bins around, two 35' end dump trailers for solids (odor control), and replace a
16 Ford F-350, which is at a ten-year timeline. Those items will be added to the 2024 amended budget for October.

17 v. TP-4/5: Secondary Clarifiers

18 Trevor Lindley, Brown and Caldwell, said TP-4 is East Clarifier Rehab and TP-5 is the West Clarifier
19 Rehab. TP-4 design was completed last year, went out to bid and was awarded to Archer Western Construction with
20 construction started late last year. Prework is being done to get the site ready for bigger efforts which will be
21 happening early next year. The project is essentially replacing the mechanisms inside the clarifiers, which are now
22 going on 40+ years old. Trevor said something for the board to consider, is the work on TP-4 and TP-5 are relatively
23 similar, and TP-4 was bid out with competitive bids. Brown and Caldwell are under contract for design on TP-5, but
24 there are potential savings if there were a change order to the TP-4 contract for the TP-5 work. The savings would be
25 around \$250k, as there would be less engineering, and less contractor costs. It would be a large change order of
26 around \$6 million. Mark Christensen said it makes a ton of sense and he is all about saving money, the only question
27 he has is does it meet procurement law? Projects that are a certain size must go through those various processes so as
28 long as our Attorney, Mark Bell, can give a legal opinion that it would not violate those laws he would be on board.
29 Trevor said you would basically be doubling the value of the contract. Mark Bell said he will look into it and get
30 back with his findings.

31 vi. TP-7: Biosolids Disposal Facility

32 Wade Stinson, Aqua Engineering, said they have been working on the purchased parcel down in Elberta for
33 about a year. It is about 48 acres right off Redwood Road, just north of Bayview Landfill in Elberta. This was
34 acquired through two separate parcels right next to each other. This site was selected due to its availability but also its
35 location. It is within 35 miles of the District. Trucks are already hauling down to Bayview Landfill. It seemed to be a
36 good opportunity to have a location to turn into a distribution hub for dried biosolids. Wade said they have had this
37 property surveyed and the plat has been defined. They have resolved any conflicts, and the two parcels have been
38 combined and filed with Utah County. Currently the property has no power or water. As we look at potential
39 developments, both of those will need to be considered. Rock Canyon Road on the north boundary of this, would
40 need to be improved. We worked with Utah County to determine what is needed for that improvement. With this
41 development plan, there is continual focus of providing this and making it possible for the dried biosolids product to
42 be distributed locally down there for its nutrient value.

43 Wade said they have made a preliminary plan and ultimately see the need for an office space, with 2 offices,
44 bathroom and break room. There would also need to be shop use, as there will be some equipment there to handle
45 those solids. There will be a scale to track the inbound/outbound tonnage. Utah County Fire Marshall was very
46 concerned about fires (combustion) with the rural nature of it. There will be an effort made to mitigate fire but also
47 provide emergency fire mitigation. Utilizing the existing District water rights, they are asking that 10 Acre-Ft be
48 transferred down for use at office, shop, emergency fire and, and future use. Wade said they are under contract to do
49 a preliminary development plan. Their request coming at the end of this year is that they can go to a design phase to
50 develop that property. After that, there will be a construction phase to develop a CM contract. It is about a \$3.1
51 million total investment for that Elberta parcel.

52 vii. EL-1: Power Quality (Switchgear/Generator, PLC & OIT) and EL-2: Plant Control System PLC
53 Replacement

54 Rich Mickelsen said we are coming to the end of the EL-1 project. They are doing the last few things so we
55 can release the retainage. EL-2 is our plant control system, it has been in the asset management to replace those and
56 that will be coming in the near future.

1 viii. Master Plan Phase I

2 Trevor said this is treatment plant projects inside the fence line. Trevor said there are four main packages A,
3 B, C, D. When the master plan was written four years ago, there were a number of projects and those are labeled in
4 the CIP as MP.1, MP.2 etc. As the different consultants came to the design table and worked with Rich it made sense
5 to bundle some of those into construction packages. Those were bundled into the type on the type of work, location,
6 and how the contractor community could address them.

7 Trevor said pre-qualified contractors have been updated for all the packages. For the design/bid/build
8 projects (Pkg A & B), there were four contractors that met the minimum qualifications – Alder, Gerber, MGC,
9 Archer Western. Trevor said they thought it made the best sense for the schedule of pkg C to do some funding
10 strategy to do that package as a CMCG approach. That was awarded to Alder Construction. There were also three
11 electrical contractors pre-qualified who will bid on each of the packages – Skyline, GSL and Wasatch Electric.

12 Trevor said there is a strategy to get these projects built. There will be a construction management team in
13 the field. There will be 5-7 staff co-located down in the old ops building. The construction management team will
14 consist of a construction manager, a field team of a civil inspector, electrical instrumentation & control, document
15 control, deputy construction manager and a third-party support for testing/inspections. They will be spread across the
16 different MP projects and packages and will be engaged for 4 plus years to get this built. Trevor said the ask for the
17 construction management team on site wide/all packages estimated out through 2028 will likely come next month for
18 about \$10-\$12 million.
19

20 Funding will come from various sources. The District was awarded \$8 million, with the ARPA grant with a
21 requirement for construction to start by December 2024, which is why Pkg B was moved up. We have submitted
22 documentation to the USBR, for the Title 16 grant. The max we can capture with that is \$30 million for reuse related
23 projects. That is still with them and a little bit of a challenge. We have a meeting with them to try to push that
24 forward. If we do not capture that, we will have to fund that another way. The IRA (Inflation Reduction Act) are
25 incentives from the IRS to incentivize renewable projects. Pkg C is eligible for this. The district has hired a tax
26 advisor who works closely with the design team to make sure we are compliant with the IRA requirements. That is a
27 significant target, it could be 30%-40% of the eligible project. WIFIA is an EPA loan. It is a national program, and it
28 tends to be for larger projects. The rates tend to be lower than the open market rates, but in the last few months the
29 open market rates have been better than WIFIA rates. We are intending to submit a letter of interest in having a
30 partner in funding this. We can submit and they can offer the money to fund the project up to 49% but if you do not
31 like the terms then you just go back to open market.
32

33 1. Package A (Dryer) Aqua Engineering

34 Trevor said Pkg A reduces the mass of solids and makes a dry product with much less odor potential. Fewer
35 trucks and is much more marketable. They are part way through design, just worked out through the submittal and
36 design process. Package A is probably going to be under construction last, but still be coming up early 2025.

37 Wade Stinson, Aqua Engineering, said the thermal drying facility will be connected to the south side of the back
38 end of the existing dewatering building. They are realigning these new structures to a true north-south orientation.
39 David Bunker asked the purpose of needing to go north south. Wade said ¾ of the plant is already north south so this
40 would flow better with future build out. There will be a substantially sized cake hopper that provides the ability for
41 the dryers to function 24 hours/7day week. Dewatering can have its schedule, and the dryers have a schedule; they do
42 not have to necessarily operate on top of each other. Additionally, inside will be the main control room, which will
43 also house the new location for plant wide SCADA front. The silo will stand just to the east of the dryer building and
44 is 80 feet tall and can store up to a weeks' worth of production. The benefits of this are to reduce the truck loads
45 being hauled and the dry product is Class A, less odorous and can be land applied. There are nutrients that can be
46 utilized and the Elberta property is being staged to have this dry product ready to be implemented in the agriculture
47 area. They are working with Brown and Caldwell's odor control team to facilitate the design of the odor control.
48 Wade said they are going to submit their 90% design to the District next week and to be wrapped up with design and
49 going to bid about the beginning of the year. The construction phase would start about the 2nd quarter of 2025. The
50 ask is for a CM project approval in 2nd quarter of 2025 for about \$3-4 million, bringing the total construction cost
51 estimate to \$60 million currently for this package. Chris asked if that product would be available for residential
52 purchase. Wade said they explored that potential, and they would need to resize the product. Currently it will
53 produce something the shape, size of a Cheeto. That is a very liked product that could be utilized locally, but not very
54 advantageous, as it is a bulky product that doesn't go well through residential spreaders. There are two
55 considerations for expansion, one would be a small area for a third dryer in a future expansion or to integrate
56 composting if we wanted to proceed with an in-vessel composting process. On the north side of the structure there is

1 another area that is a space reserved for potential future pelletizing. David Bunker said in the future as we get PCAD
2 up online, our biosolids are going to reduce, correct? Wade said yes, we currently project 2030 as our greatest
3 demand, because it is before PCAD is ramped up. Once anaerobic digestion is active, the loads decrease
4 substantially. The two dryers will give you the capacity to continue to dry past 2040. The intention is that there will
5 be excess capacity until 2040 but how much will need to be reassessed.

6 2. Package B (Filters & UV & Outfall) Carollo

7 Trevor said Pkg B (MP-6, 7, 8,) includes the Filter Building, UV disinfection and the outfall upgrade.
8 Carollo has progressed over the last 12 months from a 60% to 100% level design. They are to the prequalified
9 contractors, and they have had a pre-bid walk through. There will be some new piping up at the secondary effluent
10 station to get the water up to the filters. This will make the plant very reliable, redundant and operator friendly. It is
11 set up for a high lake level, and you would still be able to filter in that condition. In the event you do not have to
12 filter or water quality targets change; you can run by gravity directly to the disinfection system without the pump
13 station. There will be a new plant water system in the filter building that will push water back up for water needs.
14 The ARPA funding has been steered toward this chemical building. Benefits from this will be type 1 reuse quality,
15 good stewards of Utah Lake, redundant UV system and you are trying to get ahead of the permit challenges. This will
16 be a hard bid for prequalified contractors with bids due November 11, 2024, with anticipation to award at December
17 board meeting. Because we are lake property and have had more seismic requirements than in the past, there is a test
18 pile happening to see if auger test piles will make those facilities more stable. The ask on this project will be coming
19 for resident engineering for \$6-9 million and a construction cost estimate of \$140 million.

20 3. Package C (Digester & Gas Upgrades) Brown and Caldwell

21 Trevor said this is the package that Rich calls PCAD, (Primary Clarification), which is separating the organic
22 material from the flow getting into the digestion and making renewable natural gas. Also, this provides a very low
23 odor potential. Anaerobic digestion is enclosed, odor scrubbed, covered and all the renewable gas that will be
24 generated will be piped.

25 Susan Spore, Brown and Caldwell, said package C is the backbone and framework of the process work that
26 will convert to less solids and set you up for the future south plant expansion. This is MP-1.1, 1.2,1.3,1.6. The first
27 project of Pkg C is thickening and straining, and this will be covered, and odor scrubbed. Also, the best-in-class
28 technology egg shaped digesters will be fully enclosed to eliminate odors. The benefit of this is that anaerobic
29 digestion creates methane. We are working with Enbridge (formerly Dominion) to clean up the gas and remove
30 moisture and impurities to become a marketable product – renewable natural gas (RNG). The 30% design for
31 thickening and straining will be coming up, and they are working on equipment procurement (competitive bid), and
32 the layout. They have finalized the procurement for the egg-shaped digesters and the draft tube mixers which makes
33 the mixture consistent for optimal treatment. There was approval of the excavation portion last week, and that will
34 put them on the way for construction start before the end of this year, to be able to hit that first hurdle for the IRA tax
35 credit. Susan said they will be submitting the 60% design in early October.

36 After going through anaerobic digestion, the methane will go to the gas upgrading facility. They are in the
37 process of signing a contract with the gas upgrading vendor (Quadrogen). As a safety device, as well as any off spent
38 gas, we need a waste gas burner (Varec), and we just got their first submittal. In order to sell the gas, we have to be
39 able to connect to the Enbridge distribution facility. They have completed their preliminary engineering report and
40 are working on a final design. Enbridge is planning infrastructure upgrades ahead of our facility improvements to
41 make sure they have the capacity for the gas we are generating.

42 Susan said they are doing more pilot testing to optimize the primary filtration. This will fit in a very narrow
43 area on the north side of the plant to allow as much flexibility when dealing with the south plant expansion. As part
44 of the IRA income tax credit capture strategy, they went to the CMGC (Archer Construction). They are recently on
45 site to mitigate the schedule risk to begin construction on early excavation and deep foundations while we finish up
46 equipment procurement and design of the rest of the treatment facilities. Deloitte was hired as a tax advisor. They
47 meet with them on a bi-weekly basis, and they are helpful in making sure we are documenting appropriately, and
48 contracts meet IRS guidelines. In order to capture the tax credits, there will be 7 pkgs for Pkg C GMP 1-7. GMP 1 is
49 ongoing now – mobilization, temporary power and utilities and dewatering. GMP-2 is the excavation of the digester
50 complex. This is targeted for November and in the eyes of the IRS this is what is actually considered as the
51 construction start. Following that will be the piles and the deeper foundations around the digesters and thickening and
52 straining. Once that is complete it will be the digester structure and gas upgrading facilities followed by the boiler,
53 thickening and straining building. Then when all the packages are complete it will be site restoration.

54 Scope amendment 1 will occur later this fall and will cover some of the coordination with Enbridge and
55 development of their off-site facility, permitting, Deloitte coordination and air permit. Amendment 2 is for design
56 evolution, and the owner requested changes. As part of the site investigations and visits to other plants with RNG,

1 colder climates say they wish they had put a building around the equipment. We are taking their advice and have
2 made the decision to add the building around that equipment to better maintain that. Because of the dryers and
3 adding boilers, we need to do a small source air permit. We have filed a notice of intent, and permit application;
4 DAQ said this was one of the better prepared pre-permit meetings they had ever had. The timeline for primary
5 treatment is about 30%, and they are about to submit 60% on the digester gas upgrading. To capture the IRA tax
6 credits, they are beginning early excavation before the end of the year quickly followed by the foundations. The
7 future scope will be the resident engineering task orders and multiple GMPs under the CMCG contract. Susan said
8 engineering on scope amendments 1 & 2 they are still working through those amounts, you can expect amendment 1
9 in November and amendment 2 the second quarter 2025. Construction cost estimates right now are at \$358 million,
10 and that will be GMP 1-7 packages.

11 4. Package D (Shoreline Improvements, wetland enhancements) Jacobs

12 Dave Epstein, Jacobs, said they are working on Pkg D (AD-8). The project touches quite a few of the
13 different packages. The goal of the work they are doing is to facilitate the plant to meet the community's growing
14 needs. They are going through meeting regulatory requirements, and additionally the goal is to help advance, and
15 preserve Utah Lake and associated wetlands and wildlife habitat. Then finally build partnerships with other agencies
16 and stakeholders to help facilitate the development of the Utah Lake Shoreline Trail which will increase connections
17 between people and Utah Lake, it's wetlands and the plant. TO 3 was approved by the board last month, and that will
18 take them through the first part of 2026. That work involves numerous different efforts and permits and is a
19 collaborative effort with many groups and agencies. Dave said they are largely on track with the work they are doing
20 and hit the ground running with TO 3. A lot of the work they are doing is centered between Lindon Marina and
21 American Fork Boat Harbor, along the Utah Lake shoreline. The projects they are involved in are Pkg B, supporting
22 the permitting on the CL-N 2 pipeline, B.H. Pump Station. This shoreline Trail will be an important asset for the
23 County, and the residents. Jacobs are working on the design and permitting, but it will be a Utah County project, and
24 they will be paying for the construction management of the trail. With Pkg B they have been working on the
25 permitting and have been coordinating closely with the USACE and there is a mitigation plan in development. Pkg B
26 will affect about 3 acres of wetlands and mitigation plan includes about a 15-acre parcel of TSSD lands. Work has
27 already started with invasive vegetation removal, and we are able to show USACE that we are beginning to
28 implement that mitigation plan. One outstanding component of the pkg b mitigation is the need to plant a lot of
29 native vegetation on site. The contract for planting and growing those plants was excluded from the Pkg B
30 construction contract, mostly to ensure quality and timing, we are going to need a custom grow for a lot of these
31 plants. This will be future ask estimated at \$250k. Dave said they are supporting the permitting for the CL-N2
32 pipeline from BHPS to Lehi Center Street and BHPS and have been coordinating with engineers and USACE. The
33 CL-N2 and Pump station impacts will be about 6.5 acres, and the mitigation is estimated to be just over 78 acres.
34 There are lands that are owned by the state and with the shoreline trail and mitigation lands available, we do have a
35 hurdle in working with the state. FFSL have jurisdiction over the state lands. The Lindon Marina to the A.F. Boat
36 Harbor is 12,800 ft of trail (2.4 miles) and it will be an amazing asset to the public. Over a third of that is on state
37 lands so there is a permit application to the state (FFSL) to put the trail on their lands. A portion of that is going to
38 sit on wetlands, so even though it is a beneficial project for the public, those wetlands impact will have to be
39 permitted. About 1/3 the lands for the trail belong to TSSD and a little less than 1/3 belong to American Fork City, so
40 we are coordinating with them as well. Most of the work is being done into 2025 and the start of 2026 supporting the
41 various packages and expansion of the facility. There will be a future ask around the end of 2025 that will mostly for
42 CM. It is not certain how all these projects will be contracted.

43 5. Package E (S.S Phosphorus Treatment, S.S. Nitrogen Treatment) Carollo

44 Trevor said when we put in the primary treatment and the anaerobic digestion, the digesters do their magic,
45 and they make renewable natural gas. They also concentrate the nutrients, so the nitrogen and phosphorus get
46 concentrated in the liquid stream. The best strategy is to target the concentrated nutrient is sidestream treatment.
47 Many engineering companies are implementing this in different treatment plants across the country. It has been a
48 relatively new strategy in the last decade but pretty well proven at this point. Some of the benefits are relatively low-
49 cost treatment, less return flows back to the main plant, which decreases load on the aeration system, chemical costs
50 and improves dewaterability. Carollo is in conceptual design on this. There may be one final design TO in 2025, but
51 the board has already approved the concept design and the SS Phosphorus final design in previous board meetings.

52 i. TM Employee Staffing

53 Trevor said as part of the overall program this affects plant staff and all the packages. One of their tasks was
54 to look at five-year staffing. They have been working for the last six months on this and submitted a draft technical

1 memo to Rich about a month ago. It is for the period 2025-2029, as these projects that are in Phase I come into the
2 plant. Trevor said they reviewed the 2020 master plan staff suggestions, benchmarked to a national criterion,
3 interviewed a sample of District staff, and conducted comparable utility analysis (Central Valley WRF). The key
4 findings were that the new processes will require additional staff and/or internal promotions/training. The staff here is
5 eager to stay and to recommend new hires. Promotion within and succession planning are critical factors. The
6 recommendation is that the District should hire 15 new full-time employees between 2025-2029 to manage new
7 processes and facility growth. Also, the District should prioritize career growth for existing staff and backfill as
8 needed. Specifically, the priority staffing recommendations for 2025: safety/training manager, chief financial officer,
9 chief technical officer, biosolids supervisor, biosolids operator and engineer/inspectors (2). There are additional
10 staff recommendations for 2025-2029: plant operators (3), botanist wetland lead, maintenance operator (1),
11 maintenance intern, lab tech, electrician, and collections operator.

12 Brent Rummler said the rates were recently increased in the District and asked if that increase would pay for
13 these positions or should we anticipate additional fees. Rich said our rate increase was planned at \$24 million for our
14 revenue with the 40% rate increase which was to pay for bonds, and projects. This is coming in at \$32 million. We
15 need to take a little more time to incorporate these positions into the budget. What is in the budget book for today is
16 for staff now, with the TechNet survey increases we have every year. These positions that are being recommended
17 are not in the budget or the long-term plan today. Rich said when he met with the administration committee, they got
18 a high-level review of the staffing recommendations of 15 new employees by the end of the decade and how to
19 incorporate that. Rich said Central Valley WRF is the largest plant in the state, they do 60 mgd and by the time we
20 get to 2040, we will be close to 45 mgd and the second largest plant in the state. They are currently staffed at 98
21 employees, and we are staffed at 43. Rich thinks the 15 staffing recommendations by Brown and Caldwell is a nice
22 plan and we need to incorporate it judiciously. Rich said the CFO is the biggest need, because we are going to be
23 doing \$1.2 billion in projects, and he wants to make sure we are not shorted on the financial side. The next one would
24 be the safety/training manager. We are going to have 4 contractors with 300 employees who are not our staff. We
25 have been fortunate that we have been able to focus on our safety and decrease our incidences and Rich would like to
26 keep it that way. The next two are the inspectors; we need to have inspectors on these projects to inspect the work
27 being done by these contractors. Those positions will be under David Barlow, and there will be one on the treatment
28 side and one on the collections side. Those positions, once we are finished with the projects, will go to increase staff
29 in operations. Rich said not mentioned here is succession planning, in ten years, there will be one third new staff.
30 Currently there are eight senior managers here and of those, 6 will be over 30 years in the retirement system at the
31 end of this upgrade. It would be wise if we trained people to do this work.

32
33 Rich said last year we added two new employees, one was a gas specialist, and the District has not found one
34 yet. Rich has more information for the board this year as requested. We did our market study as part of TechNet,
35 with scoring on job factors 1-4 (Job knowledge, responsibility, work environment, and difficulty). The higher the
36 market points the more difficult the job. The job descriptions and salary ranges are in the packet for the Finance
37 Director, Chief Technical Officer, Engineering Inspector, and Safety Manager. We identified from TechNet market
38 survey, the salary range for each position. If we get approval from the board then we will add the benefits according
39 to our compensation package. The botanist did not have any information, partly because we ran out of time. We
40 could do a job split with another entity, but we need to have some kind of line item for the botanist to show we are
41 dedicated to wetland mitigations. If we do that, we will get the better credit of 5:1 split as opposed to at 10:1 split as
42 we show commitment that we can get the ecology to take care of itself. Rich said these positions are not in the
43 proposed budget and he would need direction over the next month of whether to put this in the budget. David Bunker
44 said the organizational chart shows an accounting clerk, would that position be under the Chief Finance Director.
45 Rich said yes.

46
47 **6. Public Hearing for Impact Fee Enactment 11:00 a.m.**

48 **Richard Nielson made a motion to go into a Public Hearing. Mack Straw seconded the motion. Those**
49 **voting “Aye” – Sullivan Love, Mack Straw, Richard Nielson, Blaine Thomas, Brent Rummler, David Bunker,**
50 **Joel Thompson, Neal Winterton, Chris Condie, and Chandler Goodwin. Those voting “Nay” – None. The**
51 **motion passed with a unanimous vote. 11:03 a.m.**

52
53 Rich Mickelsen said the intent to increase our impact fees was noticed as required. We have posted the
54 Public Hearing Notice at the appropriate locations. Rich said we reached out to the homebuilders’ association, and
55 posted the resolution, IFA and IFFP Amendment (essentially project cost updates as we have moved closer to the

1 actual construction of projects). The impact fees are shown, and the change is significant, but it is just a numeric
2 calculation of the projects.

3 Eileen Miller, UVHBA, said they received and have reviewed the IFA/IFFP amendment and understand the
4 conundrum that everyone is in with the growth that has happened. Eileen said she understands the District is in need
5 of replacing the infrastructure. As painful as it is as well as everything else in our society right now. Eileen said in
6 their review of the IFA/IFFP the methodology used to calculate seems to be accurate, so they have no objections to
7 the way it was formulated. Eileen said her job is to say they wish they did not have this huge increase, but they
8 understand the situation. The more growth, the harder it is on the infrastructure. They would like to object, but it
9 would be futile at this point. Eileen said she appreciates being invited to the public hearing and the District sharing
10 the reports with them. Sullivan Love thanked Eileen and said her comments and input are noted and we understand
11 the concerns from the development industry.

12 **Neal Winterton made a motion to close the Public Hearing. Richard Nielson seconded the motion.**
13 **Those voting “Aye” – Sullivan Love, Mack Straw, Richard Nielson, Blaine Thomas, Brent Rummler, David**
14 **Bunker, Joel Thompson, Neal Winterton, Chris Condie, and Chandler Goodwin. Those voting “Nay” – None.**
15 **The motion passed with a unanimous vote. 11:08 a.m.**

16
17 Rich Mickelsen said Jodi Hoffman has been representing us with respect to impact fees and making sure we
18 are doing our methodology correctly and going through the process appropriately. Rich asked to move up the agenda
19 to have the ADU discussion to accommodate Jodi Hoffman as she needs to leave soon. Mark Bell, Attorney, said this
20 discussion should be done during closed session.

21 **David Bunker made a motion to go into closed session to discuss pending and reasonably anticipated**
22 **litigation in the District Conference room. Blaine Thomas seconded the motion. Sullivan Love, Chair, took a**
23 **roll call vote. Those voting “Aye” - Sullivan Love, Mack Straw, Richard Nielson, Blaine Thomas, Brent**
24 **Rummler, David Bunker, Joel Thompson, Neal Winterton, Chris Condie, and Chandler Goodwin. Those**
25 **voting “Nay” – None. The motion passed with a unanimous vote. 11:13 a.m.**

26
27 **Chandler Goodwin made a motion to go back into regular session. Chris Condie seconded the motion.**
28 **Those voting “Aye” - Sullivan Love, Mack Straw, Richard Nielson, Blaine Thomas, Brent Rummler, David**
29 **Bunker, Joel Thompson, Neal Winterton, Chris Condie, and Chandler Goodwin. Those voting “Nay” – None.**
30 **The motion passed with a unanimous vote. 11:47 a.m.**

31 **Sullivan Love, Chair, said for the record the board met in a closed session to discuss the potential**
32 **concerns for litigation and there was also a short discussion on property acquisition.**

33
34 (Lunch)

35 7. Utah Lake

36 i. Dr. Steve Nelson (BYU)

37
38 Dr. Nelson, BYU (recently retired) gave a presentation to the Board on the internal cycling of phosphorus within
39 the lake and lake sediment and gave an update on atmospheric deposition.

40 ii. Limno Corral – Rich <https://youtu.be/xOoJoI2PMKY>

41 Rich gave an update on the Limno Corral study on Utah Lake and the September 12, 2024 legislative tour.

42 Sullivan Love said he attended the Utah Lake Authority meeting the day before where the Lindon Mayor was
43 acting Chair. She gave a shout out to Rich and TSSD as she had attended the tour on September 12th. Sullivan said
44 Rich was recognized for his efforts during the meeting. Rich said he is tired of sitting around talking about it and that
45 is why TSSD is doing something. Rich said he had previously met with John Mackey, DWQ, to try to get something
46 together but after getting rejected by the science panel he changed direction.

47 B. Approval of Minutes

48 1. Approval of meeting minutes from the August 15, 2024 Administrative Board Meeting.

49
50
51 **Chandler Goodwin made a motion to approve the minutes of the August 15, 2024 Board Meeting. David**
52 **Bunker seconded the motion. Those voting “Aye” - Sullivan Love, Mack Straw, Richard Nielson, Blaine**
53 **Thomas, Brent Rummler, David Bunker, Joel Thompson, Chris Condie, and Chandler Goodwin. Those**
54 **voting “Nay” – None. Neal Winterton abstained from voting as he was not in attendance. The motion passed.**
55

1 **C. Consent Calendar**

- 2 1. TSSD Check Register
3 2. CL-N1 – 66-inch Parallel line: Sundt pay Request #23 (\$404,851.97) retainage (\$21,308)
4 3. CL-R1 – Replace & Upsize Lehi/AF outfall: Sundt pay Request #5 (\$851,504.40) retainage
5 (\$44,816.02)
6 4. TP-4 - Clarifier Project: Archer Western pay Request #3 (\$145,350) retainage (\$7,650)
7 5. Olympus Insurance (\$266,845)
8

9 David Bunker made a motion to approve the Consent Calendar. Mack Straw seconded the motion.
10 Those voting “Aye” – Sullivan Love, Mack Straw, Richard Nielson, Blaine Thomas, Brent Rummler, David
11 Bunker, Joel Thompson, Neal Winterton, Chris Condie, and Chandler Goodwin. Those voting “Nay” – None.
12 The motion passed with a unanimous vote.
13

14 **D. Finance**

- 15 1. **Financial Report – July**
16 i. Impact Fee update

17 Joe said on the impact fee report we track when we receive the fees from the cities and whether they send in
18 a report with the connections. We then reconcile this to our monthly financial statements. Eagle Mountain has not
19 sent in for July because they switched accounting systems. Joe said there has been communication with them. Joe
20 said they recently sent out an updated spreadsheet to the cities; some have already started using it and others have
21 not.

22 Joe Martin said the monthly financial statements are a good summary for the board to see how the District is
23 doing. These numbers are through July. The cash and investments are \$89 million compared to a year ago \$75
24 million. You can see the capital assets (CIP) are \$69 million compared to \$21 million last year. That is where we are
25 tracking all of our projects. We are sort of trading one asset for another, we are spending our cash, but we are
26 building assets. The restricted cash was \$33 million last year and is \$8.4 million this year. That is the bond money
27 that we keep drawing down to pay for these construction projects. The noncurrent liabilities, last year we had \$51
28 million in bonds, now we are down to \$45 million from making bond payments. the way the government financial
29 statements are presented, you take your assets minus your liabilities and that gives you your net position. So, of our
30 net position we currently have \$113 million tied up in our assets (net capital assets). Wastewater treatment revenues
31 for last year were at \$11 million and now we are at \$18 million from the user rate increase. The operating expenses
32 are very comparable to the prior year, and non-operating revenues (impact fees) were \$4.1 million last year, and as of
33 July we are \$8.8 million. That is lower than what we budgeted. Joe said the Caselle monthly financial statements in
34 the packet include every account line item for the board to review if interested.
35

36 ii. ADU Discussion

37 The ADU discussion took place during the closed session.

38 iii. Compare Facilities

39 Rich reviewed the Utah sewer rates study done by the WFWQC. Since 2009 the rates have been increasing
40 more than inflation CPI. In 2009 Utah is about 74% of the national average and in 2024 we are about 92%, so we are
41 coming up with the national average. The increase on the average and median costs across Wasatch Front from
42 March-September 2024 are 5.1% - 5.9%. This report also summarizes by location all those costs.
43

44 iv. User Rate

45 Rich said in the user rate resolution last year the board approved a 40% rate increase that went into effect
46 January 1, 2024. From the Zions User rate study, we are projected to do another a user rate increase of 15%. We
47 have member cities who did not do an increase in January, and they have been eating it in their budget. It was
48 mentioned that cities usually budget on a fiscal year, from July to June. They need to know what to budget and plan
49 for. The TSSD Board wanted to have control to either increase the rates or decrease as needed. Rich said the Finance
50 Committee ought to take a look to see if we should make any other changes, but Rich would recommend we adopt
51 the 15% so the cities can know what to plan for. Based on the user rate study, we increased 40% in 2024, and it is
52 projected we need another increase of 15% in 2025, 15% in 2026 and 15% in 2027. That study was based on paying
53 for these upgrades when they were at \$940 million, and they are now at \$1.2 billion. We are potentially going to
54 need to increase that, but it is wise that we stay on task with the cities so they can make their adjustments during their
55 fiscal year. Rich said when this user rate increase approval comes to the board in the next couple months, it would be
best to approve the next two years increases.

1 v. Adjust 2024 Budget

2 Joe said this budget book is the same as last year, the numbers/tables have been updated. In the amended budget
3 for 2024, there is an increase of \$5.4 million in wastewater treatment income that reflects the rate increase. We are
4 adjusting depreciation for some items that we capitalized last year. There is a small change in professional services
5 related to the impact fee qualified expenses and projects. Those are really the only three things that are going to
6 change in the amended operating budget. The 2024 capital project budget was at \$152 million; that is being amended
7 down to \$54 million. Those projects have been evaluated and estimates re-done for the next ten years.

8
9 vi. 2025 Budget book

10 Joe said the 2025 proposed budget is set up the way the state requires us to send it to them. The change
11 column on the right is the difference between the 2024 amended and the 2025 proposed. There is \$5.8 million
12 increase in wastewater treatment due to the rate increase. Salaries and benefits are pretty flat, but this does not
13 include the positions that were discussed earlier so positions that are approved would need to be added. Chandler
14 asked what the added positions would do to rate increases. That has not been looked at yet. Rich said they can have
15 that information ready for the committee meetings to review. Joe said the total O & M budget is actually decreasing
16 by \$54k, so operations will be kept pretty flat. Rich said last year, we added additional maintenance and operation for
17 the east side clarifiers and that is being taken out and will be in capital improvement projects. In the non-operation
18 revenues, the impact fees go from \$26 million in 2024 to \$18 million in 2025. There is \$16 million in grant money
19 that we hope to receive in 2025 which is a \$12 million increase. The capital improvement projects are going from
20 \$54 million in 2024 to \$312 million in 2025, so that is a significant increase on those.

21
22 E. Action Items

23 1. **Wastewater Manhole Rehabilitation contractor Award – Cardinal Infrastructure Services,**
24 **LLC. Not to exceed TSSD collection budget line-item**

25 Rich said we went out for an RFP for manhole rehabilitation. We have money in the collections line-item
26 budget to repair manholes. This RFP is for up to five years, for a contractor to come in and update the manholes.
27 Through this process there were four proponents and Cardinal Infrastructure Services LLC came in with the best
28 qualifications and best price. We are recommending the board approve them as the contractor to do our manhole
29 rehabilitation not to exceed the collections budget line item that is specifically for manhole rehabilitation.

30 **David Bunker made a motion to award the Manhole Rehabilitation Contract to Cardinal**
31 **Infrastructure LLC not to exceed the collections budget line item. Mack Straw seconded the motion. Those**
32 **voting “Aye” – Sullivan Love, Mack Straw, Richard Nielson, Blaine Thomas, Brent Rummler, David Bunker,**
33 **Joel Thompson, Neal Winterton, Chris Condie, and Chandler Goodwin. Those voting “Nay” – None. The**
34 **motion passed with a unanimous vote.**

35
36 2. **ICTech, Inc.: Automation and Control services for TSSD Master Improvement project**

37 Rich said to support the different packages that we are doing for the Master Plan, we have been working with
38 ICTech. They have been providing our SCADA and instrument control as well as building hardware and software.
39 This is a master service agreement to continue that work over the next five years. This has been in the development
40 for some time to be presented to the board. Rich is recommending we approve this, which includes an hourly wage
41 for his staff and not to exceed 800 hours per year. In the future, we will have actual hardware and software he will
42 bid out individually to support the different packages. That will be an addition to this master service agreement.
43 Chandler asked if 800 hours is enough time. Rich thinks he can do it in that number of hours.

44 **David Bunker made a motion to approve a Master Service Agreement with ICTech. Richard Nielson**
45 **seconded the motion. Those voting “Aye” – Sullivan Love, Mack Straw, Richard Nielson, Blaine Thomas,**
46 **Brent Rummler, David Bunker, Joel Thompson, Neal Winterton, Chris Condie, and Chandler Goodwin.**
47 **Those voting “Nay” – None. The motion passed with a unanimous vote.**

48 Joel asked if there is any thought in bringing instrumentation in-house at some point. Rich said yes, there is
49 the position of Chief Technical Officer, and he is recommending they have knowledge and understanding on that.
50 Rich said he is looking at that position to cover three basic areas: computer interfacing - with SCADA, cybersecurity,
51 and networking. It is his intention that they would work hand in hand with ICTech and understand that process.
52 When we are done with this whole project, they will be intricately involved and understand how that works and
53 connects together.

54 3. **MP-1.3: Guaranteed Maximum Price 1: Mobilization and Site Prep – Alder - \$3,823,655.32**

55 Rich said this is the first GMP coming from Alder Construction for mobilization and site prep. There are
56 details there for the board. There is a sufficient budget to cover this. Rich said they gave us quite a bit of detail with

1 a sub-total, then they have their fee, general contractor fee, insurance and bonds which totals \$3,823,655.32. They
2 provided that information to show that we were getting a competitive price. We had Brown and Caldwell's staff
3 review that as well and they did not raise any red flags that this was excessively high or out of alignment. Rich said
4 he recommends that the board approve this GMP for mobilization.

5 One of those fees is the cost they are incurring to do the general work/overhead (6%), one is essentially their
6 profit (7%). That information was in the bid when we selected them as the contractor, which was less than the other
7 contractors who put in for the bid.

8 **Chris Condie made a motion to approve the MP-1.3 Guaranteed Maximum Price Mobilization and**
9 **Site Prep for Alder for \$3,823,655.32. Chandler Goodwin seconded the motion. Those voting "Aye" – Sullivan**
10 **Love, Mack Straw, Richard Nielson, Blaine Thomas, Brent Rummler, David Bunker, Joel Thompson, Neal**
11 **Winterton, Chris Condie, and Chandler Goodwin. Those voting "Nay" – None. The motion passed with a**
12 **unanimous vote.**

13
14 **4. Adopt the Amended IFFP/IFA and Revised Impact Fee Enactment Resolution 2024-07**

15 Rich said we had the public hearing for the Revised Impact Fee Enactment Resolution 2024-07 earlier and
16 the board needs to vote.

17 **Chandler Goodwin made a motion to adopt the IFFP/IFA, Impact Fee Enactment Resolution 2024-07.**
18 **Chris Condie seconded the motion. Those voting "Aye" – Sullivan Love, Mack Straw, Richard Nielson, Blaine**
19 **Thomas, Brent Rummler, David Bunker, Joel Thompson, Neal Winterton, Chris Condie, and Chandler**
20 **Goodwin. Those voting "Nay" – None. The motion passed with a unanimous vote.**

21
22 **5. Tentatively Adopt the 2024 Tentative Amended Operations & Maintenance and 2024 Tentative**
23 **Amended Capital Budgets**

24 **Blaine Thomas made a motion to Tentatively Adopt the 2024 Tentative Amended Operations &**
25 **Maintenance and 2024 Tentative Amended Capital Budgets. Mack Straw seconded the motion. Those voting**
26 **"Aye" – Sullivan Love, Mack Straw, Richard Nielson, Blaine Thomas, Brent Rummler, David Bunker, Joel**
27 **Thompson, Neal Winterton, Chris Condie, and Chandler Goodwin. Those voting "Nay" – None. The motion**
28 **passed with a unanimous vote.**

29
30 **6. Tentatively Adopt the 2025 Tentative Proposed Operations & Maintenance and 2025 Tentative**
31 **Proposed Capital Budgets**

32 **David Bunker made a motion to Tentatively Adopt the 2025 Tentative Proposed Operations &**
33 **Maintenance and 2025 Tentative Proposed Capital Budgets. Blaine Thomas seconded the motion. Those**
34 **voting "Aye" – Sullivan Love, Mack Straw, Richard Nielson, Blaine Thomas, Brent Rummler, David Bunker,**
35 **Joel Thompson, Neal Winterton, Chris Condie, and Chandler Goodwin. Those voting "Nay" – None. The**
36 **motion passed with a unanimous vote.**

37
38 **7. Set a public hearing date for October 17, 2024, for the 2024 Tentative Amended Operations &**
39 **Maintenance and 2024 Tentative Amended Capital Budgets and the 2025 Tentative Proposed**
40 **Operations & Maintenance and 2025 Tentative Proposed Capital Budgets**

41 **Chandler Goodwin made a motion to set a Public Hearing date for October 17, 2024, for the 2024**
42 **Tentative Amended Operations & Maintenance and 2024 Tentative Amended Capital Budgets and the 2025**
43 **Tentative Proposed Operations & Maintenance and 2025 Tentative Proposed Capital Budgets. Brent**
44 **Rummler seconded the motion. Those voting "Aye" – Sullivan Love, Mack Straw, Richard Nielson, Blaine**
45 **Thomas, Brent Rummler, David Bunker, Joel Thompson, Neal Winterton, Chris Condie, and Chandler**
46 **Goodwin. Those voting "Nay" – None. The motion passed with a unanimous vote.**

47
48 **F. Communication**

49 Rich said he had no further communication. Sullivan thanked Rich, the staff, consulting engineers and
50 contractors for all the work put into the retreat. Chandler also thanked Rich and the staff for putting this together.

51
52 **Adjourn**

53 **Mack Straw made a motion to adjourn. All present "Aye." The motion passed with a unanimous vote.**
54 **Meeting adjourned. 2:37 p.m.**