

MINUTES
CENTRAL VALLEY WATER RECLAMATION FACILITY
Wednesday, September 24, 2025
Central Valley Board Room
3:30 p.m.

Board Members Present:

Chair Debra Armstrong
Vice Chair Don Russell
Member Kim Galbraith
Member Keith Lord
Member Cheryle Hatch
Alternate Member Ben Ford
Member LeAnne Huff

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

Staff Members Present:

Phil Heck
Brandon Heidelberger
Justin Zollinger
Graham Gilbert
Jake Crookston
Cindie Foote
Bryan Mansell
Navneet Prasad
Kevin Gallagher
Sharon Burton
Chris Reilley

General Manager
Assistant General Manager
CFO
Legal Counsel
IT Manager
Employee Services Manager/Board Secretary
Chief Engineer
Electrical Controls Engineer
Construction Supervisor
Facility Superintendent
Maintenance Manager

Member Entity Representatives Present:

Greg Neff
Spencer Evans
Giles Demke
Stephen Rowher
Troy Stout
Brandon Richards
Mark Chalk

Cottonwood Improvement District
Cottonwood Improvement District
Mt Olympus Improvement District
Mt Olympus Improvement District
Granger Hunter Improvement District
Murray City
Kearns Improvement District

Member Entity Representatives Present Electronically:

Craig Giles

City of South Salt Lake

Visitors Present:

Trevor Lindley
Neil Kunz

Brown and Caldwell Engineers
Brown and Caldwell Engineers

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

APPROVAL OF MINUTES

Dr. Phil Heck indicated that Justin Zollinger's name had been left off the attendance list.

Cheryle Hatch made a motion to approve the minutes of the August 27, 2025 meeting with the above noted change.

MOTION: Cheryle Hatch

SECOND: Kim Galbraith

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

PUBLIC COMMENTS

No comments were received.

GENERAL MANAGER COMMENTS

1. Reminder of the 2026 Budget Public hearing is scheduled for Wednesday, October 15, 2025 at 6:00 p.m.
2. WEFTEC will be held September 29 – October 2 in Chicago. CVWRF will be hosting an exhibit hall walk On Monday 9/29 at 9:00 a.m., meet by the exhibitor's registration. There are three Utah Challenge Teams competing. If members are attending, please come and support and cheer them on. Bryan Mansell and Navneet Prasad will be giving a presentation on Wednesday morning at 11:30 a.m.
3. John Mackey, Division Director of the Water Quality Board announced his retirement effective the end of 2025
4. The Wasatch Front Water Quality Council and Dr. Heck will be meeting with Tim Davis, the newly appointed director of the Department of Environmental Quality. The purpose of the meeting is to discuss the initiatives that WFWQ has been working on, specifically with different research reporting that has been conducted on the Jordan River and Utah Lake. Research reports, data, and other materials have been submitted to the state since 2008, without much acknowledgement from the State on how this data could contribute to development of water quality standards and other measure to protect water quality in these water bodies.

PRESENTATION, DISCUSSION AND ADOPTION OF THE 2026 TENTATIVE BUDGET

Mr. Justin Zollinger presented the 2026 Tentative Budget beginning with an overview. Construction is slowing with many of our capital projects winding down. The nutrient removal projects are planned to start operation in November of this year and conclude in the first part of 2026. The last two large capital projects, Digesters 1, 2, and 5 and Dewatering are scheduled to continue through 2027. There are several challenges in the 2026 budget including implementation of tariff related charges, increases in electricity and natural gas, and chemical costs. Management has prioritized purchases in 2025 to leverage current budget and to help keep 2026 budget increases lower.

The four major categories of the budget are Wages and Benefits, Operational, Debt Service, and Capital.

In the Wages and Benefits category there is a 12.01 percent increase in health insurance costs for 2026. The 2026 wages COLA is a 3.03 percent increase. We have added three new half-time janitor positions which replace contract janitorial services that have been covered in the Operational budget in prior years. There is a possibility of five retirements in 2026, and the payouts are included in the budget for an overall Wages and Benefits budget increase of 5.33 percent.

In the Operations budget category, there is a decrease in supply costs, a decrease of \$100,000 in contract janitorial services that were moved to the Wages and Benefits category, and a \$41,000 decrease in tipping fees.

The Contract Services budget is proposed to decrease in the Electrical, Engineering, and Lab Departments and increase in the Mechanics, GM and IT Departments for an overall slight decrease in proposed budget. The utilities budget increased by \$322,000, chemicals increased by \$259,000 and Maintenance increased by \$399,000. The Insurance budget increased by \$213,000 mainly due to completion of capital facilities which were added to the property insurance program.

The Debt Service budget will be approximately \$25.5 million a year for the next twelve years. There is an additional \$800,000 in fiscal fees in the event of the sale of the Tempo Road property. This would be the commission to the real estate broker. This is an estimate since the actual sale price is unknown.

The Capital budget consists of the following major construction projects:

| | |
|--------------------------------|----------------|
| Dewatering | \$23.8 million |
| Digester 1, 2, & 5 Covers | \$15.6 million |
| BNR Basins | \$6.1 million |
| Thermophilic & Boiler upgrades | \$2.0 million |
| Thickening Building | \$1.8 million |
| Site Restoration | \$808,000 |
| Blower Building | \$588,000 |
| Side-stream Nitrogen | \$135,000 |

The Annual Cash Account Reserves was reviewed as required by policy.

Annual Cash Account Balance Review

| Calculated Maximum Cash | 13,085,733 | |
|-----------------------------|-------------------|-------------------|
| Current Cash Balance | 12/31/2024 | 8/31/2025 |
| Cash & cash equivalents | 12,074,742 | 16,649,819 |
| Accounts payable | -13,341,002 | -12,981,658 |
| Member entity A/R | 8,931,349 | 4,811,611 |
| Month end bond draw down | 3,116,875 | 3,381,750 |
| Current Cash Balance | 10,781,964 | 11,861,522 |
| Difference | | -1,224,211 |

If CVWRF sells the Tempo Road property, we will need to adjust the maximum cash reserve limit so we can hold the cash until we find property to purchase for a biosolids land application site.

LeAnne Huff made a motion to adopt the 2026 Tentative Budget.

MOTION: LeAnne Huff

SECOND: Don Russell

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

TECHNOLOGY-BASED PHOSPHORUS EFFLUENT LIMITS (TBPEL) RULE VARIANCE – YEAR 9 PROGRESS UPDATE

Dr. Heck stated that in accordance with the requirements of CVWRF's Permit Variance, we sent the annual progress update to the Division of Water Quality. The topics include TBPEL design and construction schedule; Design and construction of the biological nutrient removal process; and financial planning and bonding. A copy of this letter is included in the Board book.

UPDATE ON BIOSOLIDS LAND APPLICATION SITE

Dr. Heck stated that on Tuesday, September 16th, WFWQC set up a breakfast table up at the state capitol to facilitate conversation with legislators concerning wastewater issues, and to solicit help in securing land for the collective biosolids land application site. We met with 20+ legislators.

Later in the day, Dr. Heck gave a presentation to the Legislative Natural Resource and Environment Interim Committee on the Collective Biosolids Land Application Site initiative. We received quite a bit of interest in the presentation, and interaction from the legislators who attended. Several great suggestions were given. It was suggested that we reach out to the Utah Lands Policy Coordinating office. They help administer the federal National Recreation and Public Uses Purposes Act. They work with public entities to secure land for

purposes that fall within scope of the Act. We will continue to work with Utah Lands Policy Coordinating staff to determine if they can help in this pursuit.

UPDATE ON TEMPO ROAD PROPERTY

The contract with CBRE has been sent to our legal counsel for review and has now been sent back to CBRE with mark ups. We are awaiting their response and should be able to sign the contract to sell the Tempo Road property. As soon as the contract is signed, they will put it on the market.

CAPITAL PROJECTS UPDATE

Kevin Gallagher presented a drone video for the following projects:

- BNR Basins Project
- Blower Building Project
- Thickening and Straining Building Project
- Dewatering Building Upgrade Project
- Site Restoration Project – Administration Building Area
- 84" Interceptor Slipline Project

Mr. Brandon Heidelberger gave an update on some of the projects and their milestones. The 84" Slipline Project – This project was designed, engineered and will be managed in house by our Chief Engineer Bryan Mansell, saving the Facility money in consulting fees

We have about 45 days until commissioning of the BNR process. Many of the activities are focused on start-up of individual pieces of equipment in anticipation of the receiving the entire process flow. The channel mixers are being commissioned; the agitation air blowers have been moved; the aeration zone 2 blowers will be started up this month, allowing us to do the 48-inch tie in, which in turn allows the input of air into the actual BNR basins; internal mixed liquor recycle pumps within the BNR basins will be bump tested this week – they sit at the far edge of the basin and return mixed liquor back to different parts of the basin; The primary effluent pump station pumps which pump primary effluent into the BNR process will also be tested this week.

On Thickening and Straining project much of the work is centered around getting power to the facility which requires moving the existing agitation air blowers to allow cable tray and electrical cable to be installed through their location. Once the cables are installed power to the Thickening building can be turned on which will allow installation of the centrifuges during November and the strainers in December.

The new transformers for the SSN Building have arrived and are currently being installed. We have waited 3.5 years for the transformers to be build and sent to us which has greatly delayed final completion of the SSN project.

INFORMATIONAL ITEMS

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

There were no other comments or questions.

ADJOURNMENT

LeAnne Huff made a motion to adjourn.

MOTION: LeAnne Huff

SECOND: Don Russell

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

The meeting adjourned at 4:41 p.m.

Cindie Foote
Board Secretary