

# **SOUTH DAVIS WATER DISTRICT**

## **BOARD OF TRUSTEES MEETING MINUTES**

Wednesday, January 14, 2026

Time: 4:30 p.m.

**Location:** District Office, 407 W. 3100 S., Bountiful, Utah

### **BOARD MEMBERS PRESENT**

- Ronald Mortensen, Chair
- Kathy Thurston, Trustee
- Elaine Oaks, Trustee

### **DISTRICT STAFF PRESENT**

- Jake Ferguson, General Manager
- Tracie James, Clerk

### **VISITORS**

No visitors present

### **1. CALL TO ORDER**

Chairman Ronald Mortensen called the meeting to order at 4:30 p.m. in compliance with Utah's Open Meeting Laws. The meeting was recorded in its entirety as a public record.

### **2. PUBLIC COMMENT**

No members of the public were present.

### **BOARD MEMBER REPORTS**

Trustees Mortensen, Thurston, and Oaks reported that they had no items to present under board member reports for this meeting.

### **4. APPROVAL OF MINUTES – DECEMBER 17, 2025**

The Board reviewed the minutes of the December 17, 2025 meeting. One typographical correction was noted in the security section. Trustee Thurston moved to approve the December 17, 2025 minutes as amended to correct the noted typo. Trustee Oaks seconded the motion. The motion carried unanimously with Trustees Mortensen, Thurston, and Oaks voting "aye."

### **5. APPROVAL OF DECEMBER 2025 EXPENSE REPORT**

The Board reviewed and discussed the December 2025 expense report in detail. After some questions and a discussion on various items, Trustee Oaks moved to approve the December 2025 expense report. Trustee Thurston seconded the motion. The motion carried unanimously with Trustees Mortensen, Thurston and Oaks voting "aye".

### **6. DISTRICT STRENGTHS, VULNERABILITIES, AND OPPORTUNITIES**

Chair Mortensen led a discussion on District strengths and vulnerabilities, using the recent correspondence from the State Division of Drinking Water after Mr. Ferguson applied for PFAS mitigation grant money. Key items included:

#### **1. Capacity Evaluation and Metering Recommendations**

- The state's letter suggested a capacity evaluation and use of service meters to track flows. Mr. Ferguson noted the District has already completed a capacity assessment as it was part of the application for the PFAS grant and already utilizes calibrated service meters. The Board observed that portions of the letter appear to be generic language rather than tailored findings.

## 2. Capital Improvement Planning (CIP)

- The letter recommended development of a prioritized capital improvement plan.
- Staff and Board discussed existing capital planning tools (cash-flow tables and engineering-prepared project lists) and acknowledged that projects and priorities have evolved since the original engineering plan, and that capital improvement projects are presented during budgeting sessions as part of cash flow projections. Current capital projects extend to 2028 and need to be updated to extend out to 2030. Mr. Ferguson will work on updating the capital improvement plan and will present to the Board at a later date.

## 3. Privacy Report

- The Board confirmed that the annual privacy report has been submitted and Mr. Ferguson will send this report to the Board.

## 4. Fraud Risk Assessment

- The Board discussed the State Auditor's requirement for local governments to complete a fraud risk assessment annually, and clarified what applies to the District. Mr. Ferguson reported that the District submitted the fraud risk assessment to the State and that he would send this assessment to the Board for review.

## 7. ELECTION OF BOARD CHAIR

The Board considered selection of the Board Chair in accordance with District bylaws.

Trustee Thurston expressed willingness to serve as Chair for the next term, consistent with prior discussions.

**MOTION:** Trustee Oaks moved to select Trustee Kathy Thurston as Chair of the Board of Trustees for the next two-year term. Chair Mortensen seconded the motion. The motion carried unanimously with Trustees Mortensen, Thurston, and Oaks voting "aye."

Trustee Thurston will serve as Board Chair for the new term. Chair Mortensen continues as a trustee.

## 8. NEW CONNECTIONS TO THE SECONDARY WATER SYSTEM

The Board discussed whether to continue the longstanding moratorium on new connections to the secondary irrigation water system or to allow new connections under specified conditions. The historical moratorium, which was adopted in the context of potential secondary metering mandates and a particular statutory exemption that required no new secondary connections (metered or unmetered).

After extensive discussion, the Board reached consensus that allowing new secondary connections, where physically feasible, is beneficial for aquifer health and provides customers with additional options, provided the District is not financially burdened.

**MOTION:** Trustee Oaks moved to allow new connections into the District's secondary water system, provided that the property owner (or HOA/developer, as applicable) pays all expenses related to the new tie-in, including installation of a secondary meter, or upgrading an existing non-metered secondary connection to include a secondary meter. Trustee Thurston seconded the motion. The motion carried unanimously with Trustees Mortensen, Thurston, and Oaks voting "aye."

## 9. SHUT-OFF FEE FOR NONPAYMENT OF DISTRICT BILLS

The Board discussed increasing the fee charged for the shut off of water service due to nonpayment to better reflect the administrative and operational costs associated with the shut-off, and to discourage repeated delinquencies. Clerk Tracie James explained the monthly shut-off process. The District currently charges a single \$15 fee per shut-off event, which implicitly covers both shut-off and turn-on.

The Board concluded that the current \$15 fee significantly under-recovers staff time, operational costs, and administrative overhead and does not provide adequate incentive to maintain accounts in good standing.

**MOTION:** Trustee Thurston moved to increase the shut-off fee for nonpayment of District bills from \$15 per shut-off to \$50 per shut-off event, with the fee covering both the shut-off and subsequent turn-on associated with that event.



Trustee Oaks seconded the motion. The motion carried unanimously with Trustees Mortensen, Thurston, and Oaks voting "aye."

## **MANAGER'S REPORT AND DISCUSSION**

Mr. Ferguson presented his report, which included the following items:

### **A. Fourth Quarter 2025 Financials and Year-End Status**

Mr. Ferguson reported that the District is currently approximately \$56,000 under budget for 2025 on a preliminary basis, before year-end closing entries and pension adjustments. Year-end journal entries (accounts payable/receivable adjustments and other accruals) will change the final surplus/deficit position; staff does not expect to end the year with an operating deficit, but the final audited figures will be available after completing the audit.

### **B. PFAS Mitigation and Grant Requirements**

- The District has been awarded approximately \$335,000 in grant funding for PFAS mitigation.
- A new issue identified by the granting agency is a requirement to clear all IPS (Improvement Priority System) points, including a longstanding IPS item related to the Enoch Spring collection box. Historically, the District has accepted a small number of IPS points because Enoch Spring is deep (approximately 30 feet with significant clay cover), and staff believes constructing a collection box could disturb or alter the spring's hydrology and/or introduce bacterial contamination. The General Manager will work with the State (e.g., Drinking Water staff and program managers) to seek flexibility or an exemption for the spring box requirement or to otherwise decouple that IPS item from the PFAS grant conditions before moving forward with construction.

### **Update on CDBG Grant Application**

Mr. Ferguson reported that he recently attended the County's required meeting for CDBG grant money and will be submitting an application in the coming weeks.

### **D. Discussion of 2026 Legislative Session**

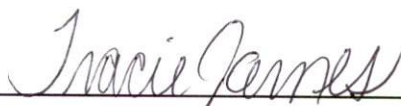
Chair Mortensen explained that the District does not pay for its own lobbyist but rather has a lobbyist through the Utah Association of Special Districts which the District pays yearly dues to.

### **E. Current review of Snowpack**

Snowpack for the Weber-Ogden area is at 67% of normal.

## **11. ADJOURNMENT**

With all agenda items completed and no need for a closed session, Chair Mortensen declared the meeting adjourned at 6:11.

  
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Tracie James, District Clerk