SOUTH DAVIS WATER DISTRICT

BOARD OF TRUSTEES MEETNG MINUTES

Wednesday, July 15, 2026

Location: District Office, 407 W 3100 S, Bountiful, UT

BOARD MEMBERS PRESENT:
Kathy Thurston, Chair
Ronald Mortensen, Trustee
BOARD MEMBERS ABSENT:
Elaine Oaks, Trustee
DISTRICT STAFF PRESENT:
Jake Ferguson, General Manager
Tracie James, Clerk

1. CALL TO ORDER
The meeting was called 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 for comment.

3. BOARD MEMBER REPORTS
Trustee Mortensen:
Reported attending a free Utah Trust training session (located across from North Salt Lake City Hall) on HR matters, focused on ADA issues, presented by two attorneys.
Noted the next Utah Trust training is scheduled for August 4 and will cover water, sewer, and flood claims.
Suggested inviting Utah Trust claims manager Jeff Rowley to a future board meeting to explain the claims process to the Board.
Reported that the Legislative Water Committee did not meet in July, and the prior meeting was also canceled.

4. APPROVAL OF MINUTES
Trustee Mortensen moved to approved the minutes from June 10, 2026. Trustee Thurston seconded the motion. The motion carried with Trustees Mortensen and Thurston voting "aye".

5. APPROVAL OF JUNE EXPENSE REPORT
The Board reviewed the June 2026 expense report in detail. After questions and a discussion on various items, Trustee Mortensen moved to approve the June 2026 expense report. Trustee Thurston seconded the motion. The motion carried with Trustees Mortensen and Thurston voting "aye".

6. STRENGTHS, VULNERABILITIES & OPPORTUNITIES
Trustee Mortensen reported that the monthly electricity (pumping) cost was approximately $9,000, equating to roughly $108,000 annually and that Bountiful City is raising its power rate by 4% effective July 1, which will increase both the pumping charge and the customer charge; Trustee Mortensen noted this should be factored into the upcoming budget in December.

Trustee Mortensen discussed that the local sewer district is considering a property tax increase rather than a fee increase. Trustee Mortensen noted that property tax increases do not directly impact the District, whereas sewer fee increases would.

7. MANAGER'S REPORT

A. PFAS Mitigation & CDBG Projects

CDBG grant funding of $168,000 confirmed secured (approximately $32,000 less than the amount applied for). A CDBG pre-bid meeting with Davis County is scheduled for the following morning at 10:00 a.m. at the District office. Adequate time remains for contractors to complete work before cold weather.

PFAS funding of $335,000 (against a $350,000 application) confirmed 100% secured via executed escrow agreement; the project estimate of just under $335,000, including a change order absorbed within the funding, remains within budget. This project is nearly complete.

B. Secondary Water Operations

Available District allocation is 1,687 acre-feet (excluding North Salt Lake's 560 acre-feet, and after drought/operational reductions). Approximately 27% has been used to date, with roughly 1,236 acre-feet remaining and about 63 days left in the season.

Usage across reservoir sites is fairly balanced; customers are generally conserving well with no evidence of widespread abuse. Institutional water use (churches, care center, schools) was approximately 2% of consumption when last reviewed; the General Manager will review July usage for the next meeting, as July is the most indicative month. The forecast to season end projects a leftover of approximately 400 acre-feet, consistent with typical years; the season shutoff is scheduled for September 15.

The Board concluded the District should be fine this year and agreed no additional conservation restriction or customer letter is needed at this time.

C. Financial Report (First Half 2026)

Revenue at approximately 53% of annual budget; year-to-date expenses just under $1 million.

Total cash and investments approximately $625,000, including the Zion's Bank checking account and PTIF accounts. A budgeted transfer of $244,000 to the reserve fund is planned at year end. Bank reconciliations are balanced up to date and the forecasted net income is slightly above the budgeted figure (approximately $140,000).

Fire protection revenue was noted as very low and unchanged for many years. Trustee Mortensen stated that he would like to include this on the next board meeting agenda.

8. ADJOURNMENT

With no further discussion Chair Thurston declared the meeting adjourned at 5:26 p.m.

Tracie James

Tracie James, District Clerk