



HEBER VALLEY SPECIAL SERVICE DISTRICT

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BOARD MEETING AGENDA

December 16, 2021

4:00 P.M.

Administration Building
1000 E Main Midway, UT 84049

Minutes

CONDUCTING: Board Chair, Celeste Johnson

ATTENDANCE:

In Person: Brenda Kozlowski, Heidi Franco (16:06), Celeste Johnson (16:10), Mike Johnston (16:15), Kelleen Potter (16:17), Ginny Tuit, Wes Johnson, Ben Probst, Ryan Davis, David Nuttall, Mark Anderson, Ben Severson,

Online: Bryan Provost, Ron Prue, Mike Mimbach, Jared Moss, Jim Schwieffarth, Jordan Council, Nancee Heckel, Joe Ballstaedt

Excused: Don Huggard, Steve Farrell

4:00 pm

1. Welcome

Chair Johnson opened the meeting at 16:15.

2. ENTITY UPDATES:

- A. Heber City
- B. Midway City
- C. Midway Sanitation District
- D. Charleston Town
- E. Wasatch County

No updates currently.

ACTION ITEMS:

3. [Consent Agenda](#) Approval – (5 minutes).

- A. November 18, 2021, Board Meeting Minutes
- B. December 9, 2021, Board Meeting Minutes
- C. November 2021, Profit & Loss
- D. November 2021, Reconciliation
- E. Ratify approval of November's Warrants
- F. Approve Warrants, Warrants will be approved via email due to early board meeting.

(16:20) Motion to “Approve the Consent Agenda” made by Brenda Kozlowski, **Second** by Heidi Franco. **Voting:** all AYES. Motion carries. Consent Agenda is approved.

4. [Request to Waive or Lower Impact Fee](#) for a resident in Wasatch County, discuss and possibly approve. – Diane Vincent (10 minutes)

Dennis Gunn reading Diane Vincent's request to waive or lower the impact fee submitted to the board.

Celeste Johnson stating, she has made the same request to the MSD board, but they have not had a meeting. Celeste further stating they are of the opinion that setting a precedence like this is not a good idea.

Mike Johnston stating, he thinks we should set a precedence, that we defer the payment and place a lien on the house that has to be paid when the house is sold. Mike further stating that this is a rare circumstance and that we would rather someone hook up to a public sewer rather than septic in the event of a failed existing septic system.

Some discussion ensued. Recommendation to set up a policy to help someone who can not afford to pay the fees and is, ie., come up with requirements.

Celeste agreeing with Mike as this is the right thing to do. Recommending MSD has seen this before.

Wes Johnson stating MSD has a policy that if the sewer is near your home and you have a septic tank but do not want to connect to the sewer, you don't have to.

Further discussion ensuing.

Heidi Franco suggesting putting a lien on the property and it is paid at the current rate at the time of title transference.

Celeste stating that if we allow this, we need to be clear what the criteria is.

(16:33) Mike Johnston motion: "the impact fee payment for Diane Vincent to a future time and to have our attorney create a lien document that states this will be paid at the time the title is transferred, the house is sold, or the property is subdivided at the fee in place at that time. In addition, that we develop a short policy that states how this will be handled in the future based on income, age, lack of adequate income."

Discussion ensued on the motion with Celeste asking we include that it is the policy of the district that we do not waive impact fees. Further discussion. Apparently, she is already hooked up.

Staff being directed to get a policy for next meeting.

Motion Second by Celeste Johnson. **Voting**, (4) AYES, (1) Abstained: Brenda Kozlowski, due to conflict of interest. (0) opposed. Motion carries.

5. **2022 Annual Budget** discuss and possibly approve. – Dennis Gunn (20 min)

Dennis Gunn stating the old budget format was confusing and he has reformatted it. Double checked amounts.

Celeste asking if anyone has any questions regarding the budget.

Celeste stating, she likes the format better.

Mike asking if we are moving forward with the bond. The answer being the bond is a ceiling.

Heidi asking if the amounts are including the delayed implementation. It does.

(Motion that “we accept the 2022 Annual Budget as presented” by Brenda Kozlowski, second by Mike Johnston. Voting, all AYES. Motion carries. 2022 Annual Budget is approved.

6. **2021 St Auditor’s Office Fraud Risk Assessment** discuss and possibly approve (10 min)

Dennis Gunn stating that it had been his goal to get some of these policies added in this year, but we have been busy with other things, so hopefully this will take place in this following calendar year. Nothing has really changed in how we are processing everything.

Celeste reiterating that Brad(Midway City) had checked with the State Auditor’s Office and they want to see us “chipping away” at these items. Celeste stating further she does not have any concerns.

Mike Johnston asking what items would we do first?

Dennis and board responding, ethics policy, conflict of interest, reporting fraud and abuse could be resolved with a link on our website.

Dennis stating policies are next on the management plan and there will be several new ones as well as updates. One being safety. We had a good visit from UOASH, and this will help.

Celeste suggesting #'s 7, 8 & 9.

Mike Johnston suggesting, we take care of #'s 2 and 7.

Celeste discussing the policy Jody had been working on, some of these things are addressed.

Celeste asking for a goal of end of second quarter, 2 & 7 are complete.

Motion to “approve the 2021 State Auditor’s Office Fraud Risk Assessment as presented in the agenda with the goal of the end of second quarter 2022 for numbers 2 and 7 in place and approved by the board,” seconded by Mike Johnston. Voting, all AYES. Motion carries. 2021 St. Auditor’s Office Fraud Risk Assessment is approved with goals.

7. **Internet Services/Lease Agreement** – Wicked Fast Internet – Mike Mimbach (10 min)

Dennis Gunn reminding, in the November '21 we discussed how poor our internet is at the plant and that staff had received some good suggestions last meeting. These have been looked at. Matt Brower with Heber City was contacted, and it looks like fiber is a way off. Dennis further discussing, Wicked Fast Internet is looking to get established in the Heber Valley and we can use the building we just use to raise flies in. Further that we would get 1 GB upload speeds and 1 GB download speeds, currently worth \$1,000 per month free of charge in exchange for the use of the building to hang antennas on. Dennis further sharing typically leases for this type of service is a standard internet connection and not this high speed. Dennis further that he had tried to get a three-year lease, but they must bring fiber to this building, and they need to recoup some of their investment. The agreed time is five years with options to renew. Further, the more this site is used the more valuable it will be for them and the less likely it will be down, which is better for us.

Mr. Ron Prue, Executech, reminding there was discussion in previous meeting regarding franchise fees, Mr. Prue has reached out to another client of his, JSSD. They had been with Utah Broadband and received a standard internet service for the lease. Ron explaining their sites are extremely valuable due to location. Speaking to the value of the GB speed. This is comparable to other clients. Keeping the contract low is the focus. This will be good for a few years but eventually will not be as valuable and this can be renewed.

Celeste clarifying this is a real good deal and Ron confirming the other costs are quite exorbitant.

The antennas will follow airport requirements.

Heidi Franco asking if they need a conditional use permit to put the antennas up. Dennis replying this will be their issue to deal with.

Celeste asking about antenna size.

Mike responding all antennas are under three feet in diameter.

Dennis further sharing the antennas will be painted to match the building to blend in.

Heidi Franco inquiring about the antenna locations.

Mr. Prue and Mr. Mimbach explaining the needs surrounding the installation of components. There were concerns expressed regarding possible interference with the airport and they would not interfere with the airport.

Mrs. Franco further asking about future use and further growing their business. Mrs. Franco discussing the potential revenue to the people.

Mr. Mimbach responding that the going rate for this is equivalent to approximately \$350 per month.

Celeste expressing, we are looking at a \$1,000 value.

Mrs. Franco expressing, she is looking out for the rate payers. Trying to not set up a monopoly.

Mr. Prue reminding, we are currently paying about \$200 per month for our current internet and this will go away once we are set up.

(17:05) Motion “we move forward with this Wicked Fast Internet with a five (5) year agreement, subject to approval of our attorney,” seconded by Kelleen Potter. Voting, all AYES. Motion carries. Internet Services/Lease Agreement with Wicked Fast Internet is approved subject to approval of our attorney.

8. Manager’s Updates. – Dennis Gunn

Celeste Johnson asking if there are any questions for Dennis on the Manager’s Report.

Mike Johnston clarifying in Cell 1, we are planning to get this done in the fall and winter of 2022.

Dennis confirming, we want to handle everything while it is cold for odors and less damage to the farm surface.

Mike further asking about the permit in that the state is wanting us to get our shares in order. This is regarding the water we are irrigating with not the shares with the farm.

Dennis confirming this.

Celeste and Mike stating the Manager's report is very helpful.

Mike asking about the need for the JSSD agreement?

Dennis replying this is there each month as a reminder we need to modify this. There are a lot of moving parts. Some discussion of issues surrounding this ensuing with a conclusion we will need to modify this.

9. **Winter Social** - discussion and possibly approve. – Dennis Gunn (5 min)

Dennis Gunn leading off that we used to have a winter social and that he has been approached by a couple folks asking if we do this. In the past we have had this rotating between Heber and Midway. Desire is to continue this. Dates being selected. January board meeting is the preferred date.

Mike, stating it does not need to be in conjunction with the board meeting.

Heidi suggesting doing social in February.

Celeste suggesting, we calendar the next year, and we can pick a date then.

No motion necessary.

10. **Farm Monitoring Well Pumps** discussion and possible approval – Dennis Gunn (5 mins)

Dennis asking for a formal approval.

Celeste asking about the original approval.

Dennis stating he can't remember exact amount. Just wanting a formal approval.

Board asking about amount of contract amount. We need to add \$7,181 for pumps and Heidi asking about how much installation would cost. We will have to ask Loughlin.

(15:20) Motion to "purchase the well pumps for \$7,181.00 as presented in the agenda materials and see how much the installation costs will be and bring them back in January"

Discussion on the motion:

Celeste expressing there is no point approving the pumps if we aren't going to install them. Heidi expressing concern that she hates blank checks.

Dennis will go back and look at the contract.

Heidi asking what Wes Johnson thinks the installation would be.

Wes Johnson replied, half the cost of the pumps.

Motion modified by Heidi Franco **“that we approve the installation and purchase of the farm monitoring well pumps up to \$12,000,”** seconded by Mike Johnston. **Voting, All AYES.** Motion carries. Purchase and Installation of Farm Monitoring Wells is approved to maximum of \$12,000.

Dennis will include this total cost in the January 2022 Manager’s Report.

11. Purchase of New Baler, review RFP’s and possibly award purchase. – Bryan Provost (5 min)

Bryan stating, we were later than we expected to be this year. We wanted to get the final bale number in. We are buying the baler turn back. They came back lower than we figured and gave us \$10,000 more for our trade-in than we expected.

Dennis relating, we had talked about this and set our amount in the amended budget to \$175,000 for the baler with \$30,000 for the trade-in.

Celeste clarifying, we are turning in the 3X3 baler and getting a larger baler.

Bryan stating, we only got one bid, we put out three but only one was returned, from Brigham Implement. The bid was for the new baler, \$121,000, for the accumulator, \$31,000, and \$40,000 for the trade-in baler and accumulator, making the difference of \$112,000. Bryan further explaining that this is a good price, that they let us use a baler every year, because they have a government lease program that allows them to send a baler out and get 1,000 bales on it, and this has to be a government entity that does this, and we are basically the only one in the state that can do this. As a result, the dealer, Brigham Implement, automatically gets a 12 percent discount, from Case, so when they sell it to their customer, they can be 12 percent lower. They also give us the 12 percent discount on the purchase of it. The other baler we’ve used since 2007, it’s been a good baler, just time to get rid of it.

Board instructing staff to make the purchase. Does not require a motion.

Dennis asking for approval of this as a warrant as he needs to send a check before the first of the year as the prices are going up.

Dennis further explaining with the meeting earlier than usual this month, he will be emailing warrants out next week for email approval. Asking the board to watch and reply so we can pay our bills.

Celeste clarifying, we must wait until 6:00 pm for the public hearings, and this is correct, they are required to be after 6:00 pm, by state statute.

12. Consideration of closed session pursuant to Utah Code section 52-4-205

- ii. (c) Strategy session to discuss the purchase and or sale of real property.

(17:32) Motion “to go into Closed Session to discuss the purchase and sale of real property” by Brenda Kozlowski, **seconded by** Kelleen Potter. **Voting, all AYES.**

(18:03) Motion “to move out of Closed Session” by Kelleen Potter, **seconded by** Brenda Kozlowski. **Voting, all AYES.** Back in open session.

6:00 pm:

13. PUBLIC HEARING: 2021 Annual Budget Amended discuss and possibly approve amended 2021 Annual Budget. – Dennis Gunn (20 min)

Dennis discussing, we try to project expenses as best we can, and we need to make some adjustments. Being an enterprise fund, this is allowed.

Celeste clarifying, this is the only amendment we have made this year.

Dennis making sure everyone in attendance that would like a copy receives a copy.

Heidi Franco making sure the public is aware this is this year's budget we are amending.

Celeste stating, she felt Dennis had given a good explanation of the changes in the Staff Report.

Dennis verifying everyone can see the budget on screen.

Dennis discussing projected revenues and we have received more than the expected \$538,664.43 and this was adjusted to \$580,000 for the year, this mostly due to flow and the increased number of houses added to the system. Dennis further reminding we will not receive all revenues until after the first of the year. Further reminding the request from the board of the numbers being more closely reflective of projected actual. Hay sales were up significantly this year.

Board asking about third crop and we are figuring out how best to sell this.

Bryan is planning to set a price by talking to three local hay growers here in the valley and set a price and will have Dennis send out a letter and it will be first come, first served, this is the price, you have to take a full stack of the dry hay or at least 20 bales of the wet hay.

Projected interest is down from previous years.

Ben Probst and Mark Anderson reaffirmed that interest amounts are way down.

No changes anticipated in rental income.

Capital Projects fund, this is the amount we will be pulling from the fund for projects, this will be covered when we get to Capital Projects. Projected we will have to pull \$380,000 and now that the baler came in less, we won't have to pull as much. Dennis further stating some of these numbers are a bit arbitrary, that as we close the budget, some of them will come down. To balance the budget, now projecting needing only \$77,614.43, which is less than the projected \$206,900. This amount was decreased by \$129,285.57 to balance the budget. This is mostly due to increased O&M revenues and hay sales.

Celeste correcting that we didn't spend some of the monies allocated in some areas and spent more on some things and this list is more accurate.

Dennis further explaining we were able to lower wages as we have been lucky here and also training etc. due to COVID. But we have had an increase in repairs and maintenance this year.

Dennis was able to lower some of the areas in the farm disposal budget, as most of the areas of increased expenses have occurred in the Administration portion. For example, last year we increased our legal budget from \$3,500 in BY 2020 to \$25,000 and YTD we have spent \$58,000 in legal fees, to cover legal expenses did not expect this year.

Professional and Tech being the engineering, being the studies and reports we have done. Due to some of these expenses, Dennis pulled back on some of the items we were planning on this year, replacing the truck, purchased the baler, and we saved money on this. No tree project, no OHV this year, steam cleaner was denied by the board. No on to miscellaneous expenses, where the pumping we are doing right now, the recirculation pumps, the grinder we purchased, and again, this is where the farm well project, the wetland delineation that was done on the VanWagoner Lease. This put us with an increase of from \$153,550 but then the baler won't be as expensive. *NOTE: this amount is incorrect.*

Celeste clarifying the miscellaneous costs were dramatically more than we had anticipated.

Mike Johnston asking if we can itemize some of the miscellaneous category as line items.

Board agreed.

Celeste suggesting, we put asterisks and give a breakout.

Tina interjecting, she can run a separate GL report that can show amounts itemized in each category.

Celeste asking for the miscellaneous items.

Discussion about the miscellaneous items.

Celeste recommending, we move forward that our miscellaneous should be \$25,000.

Dennis advising that he has advised every time we have added projects that they will require amendments.

Dennis clarifying that he may have misunderstood council, that we don't have to show each expenditure in the budget, that we show the amount in the category.

Ben Probst supporting this, stating that most of the time in capital expenditures the full amount, not break it down by what they are buying, but will provide the board with a list of the items they are buying. But for the State's purposes, they just need the lump sum.

Dennis clarifying, he probably caused all this chaos by calling this category miscellaneous when he should have just called it Capital and left it blank.

Ben further stating that for the State's purposes, itemization is not required, but sometimes the board may request this.

Celeste reaffirming, this is the desire to have this itemized for next year and adding dollar amounts in the report. Celeste further confirming the budget is great and asking for any further questions.

Board requesting this information is fine in an email to the board.

(18:30) Public Hearing open to the public.

COMMENTS: No public comments.

(18:31) Public Hearing closed.

Motion, “to approve the Amended 2021 Budget,” by Brenda Kozlowski, **seconded by** Kelleen Potter. **Voting**, all AYES. 2021 Amended Budget is approved.

14. PUBLIC HEARING TO ALLOW PUBLIC INPUT REGARDING (A) THE ISSUANCE AND SALE OF NOT MORE THAN \$23,000,000 AGGREGATE PRINCIPAL AMOUNT OF SEWER REVENUE BONDS, SERIES 2021, (THE “BONDS”) AND (B) ANY POTENTIAL ECONOMIC IMPACT THAT THE PROJECT DESCRIBED HEREIN TO BE FINANCED WITH THE PROCEEDS OF THE BONDS ISSUED UNDER THE ACT MAY HAVE ON THE PRIVATE SECTOR; AND RELATED MATTERS

Celeste introduced the item and asking for any questions from the board.

Heidi Franco mentioning, Mr. Anderson is here, asking for a short explanation for the public.

Mark Anderson, Zion’s Bank, explaining the purpose of the public hearing is to allow the public to express support for or opposition to the issuance of bonds, it is part of the legal process they have to go through to issue debt. Mr. Anderson further explaining that where it states the potential impacts the project may have is usually related to public recreation sites that compete with private enterprise. Further explaining a month ago, the board approved a parameters resolution that sets the limit to how much bonds could be issued for. Does not obligate any amount and the amount could be zero and twenty-three million dollars. They have discussed projects and improvements. But he doesn’t think the board is ready to determine exactly how much the bonds will be.

Celeste and Mr. Anderson clarifying that interest begins accruing at time of closing bonds. Further that if we close a bond and don’t use the funds immediately, interest accrues.

Heidi asking Mr. Anderson to explain that the rates have to be increased because of state law even though this could be paid for by impact fees.

Mr. Anderson replying in the case of revenue bonds as in this case, the district is pledging they will maintain net revenues equivalent to 125 per cent or more than their future debt service obligation. After you take your revenues including your impact fees and operating expenses, the amount left is the net revenues.

Mike Johnston asking why they are called Series 2021 when the bond won’t actually be until 2022.

Mr. Anderson replying this is when the parameters resolution is made.

Celeste asking if the public has any questions.

Dennis has one question online.

Ryan Davis asking is we have to issue it all at once, or can you issue it incrementally? Mr. Anderson responding you can issue it in one or more series. Mr. Davis clarifying you just can’t issue more than this?

Mr. Anderson confirming this.

Celeste explaining there are costs and fees with these issuances.

Jordan Council with a question online, his question is more on the ponds themselves versus the bond money. Referring to a letter circulating relating to the health effects of the open sewer ponds and they live at the north end of the sewer ponds, and it is constantly smelling of sewer in the Mitchie Lane area and wanting to know what the board's plans are for closing the open ponds or turning them into something more sophisticated or if this bond money is only for purchasing more open space or open aeration ponds.

Celeste responding, "no" we are not getting any more aeration ponds.

Mr. Council further asking what the money will be used for?

Celeste responding costs of dredging one of the lagoons, purchasing land, and expanding the capabilities of the mechanical plant.

Heidi Franco further explaining we need the winter storage, and we need the land purchases to match the existing capacities in the lagoons.

Mr. Council further asking about an article about breathing sewer air?

Celeste replying that is not part of this discussion right now. Further stating she is not saying this will likely be part of future discussion, but not this discussion.

Heidi explaining it is really important we have accurate data for this discussion, that from her background, there would have to be a longitudinal study looking at sickness and illness rates around the whole valley over many years to show if there is really an effect or not.

Celeste asking if there are any other questions by the board, etc.

(18:39) Public Hearing open.

Ginny Tuit asking if this requires a vote.

Celeste stating this does not require a vote.

Ben Severson stating he lives on the corner of Mitchie Lane and (unintelligible), that he hasn't been aware of these meetings and plans, and what the capacity of this plant are etc. His neighbor, Mr Council expressed some concerns, living in the area for about five years and about odors, smells, have been these have increasing over that time. Just wants to be aware, we can all see the amount of growth going on in the valley and wondering what the impacts of this will be on him here locally.

Dennis asking if we have been doing better this year.

Mr. Severson stating, he is a numbers guy would like to know more about the numbers. The sniff test is something, but not everything.

Dennis further explaining we did a repair about a year and a half ago and it (the odor) was..bad. Further that this spring, not one comment on odor. So we are hoping that is gone. Dennis inviting everyone to call him if there are odors.

Board expressing gratitude for the public being here.

Mike Johnston expressing, he has been on this board two years and we have zero plans to expand the lagoons which is the treatment. We need to expand storage. Further expressing concerns of the board about odors and the impact on Midway. Mike further explaining we have had lengthy discussion of the future direction and that our obligation is that we provide sewer service to much of the valley and to match that capacity to what the growth is. The board is looking at all options. Rest assured we are hearing people's complaints and we don't want to become a bigger burden on Midway and on your neighborhood.

Mr. Severson informing, he has a PHD in Chemical engineering and he has a background in some environmental stuff and since he lives so close, he is interested. Not saying he's pretending to have answers, but that he's curious about how we treat stuff here as compared to, for example at the base of Jordanelle, which sewage goes to this plant versus this plant.

Mike further explaining we are trying to keep rates from going sky high.

Dave Nuttall and Dennis inviting Mr. Severson and public to come down and we would be happy to show them.

Mr. Severson saying that we are bonding for something but not sure what.

Celeste reaffirming, we are not going to just go out and get the money until we have a plan for it. That the board is very committed to their fiscal responsibility in that. Further stating we haven't appropriately modernized as we could have. Except that this plant has been working really well for a very long time so there wasn't much of a need to do that.

Celeste further affirming that as Mayor of Midway, her voice has been very loud and constant that they don't want to be treating everyone's sewage with all the growth north and east being in her back yard. We are looking at things that will have less of an impact and she appreciates she has board members that agree with her and support that. As we look forward, we do not intend to use old technology if there is new that is better. We like the 400-acre farm that is open space everyone loves, and that is the disposal system for treated water that is environmentally very friendly and very effective and profitable, so there are a lot of aspects of the farm we like and will continue with and will not go away. The process that Mike has referred to has given us many questions. So now we will double down on how we address these questions.

Heidi directing to the hvssd.org website, explaining we have developed information pages to explain our strategic plan.

Nancee Heckel online in chat. Dennis reading Nancee's questions *"What exactly are you voting on?"* and *"What is the difference between winter storage and the ponds?"* and *"How did you come up with that number if you don't have a plan?"* and *"Does storage include more ponds?"*

Celeste responding, we did have an engineering plan done that's where the numbers came from. This being, dredge the pond, purchase land, expand winter storage and expand the mechanical plant.

Further stating with Mike Johnston that we may still do that plan but are looking at other options right now. We will not go forward with the bond until we finalize this. We may not use all of the bond. The difference between a pond and a lagoon and winter storage.

Dennis responding, lagoons are the actual treatment cells, which are the north four cells, the southern two cells are actually our storage cells, this is basically treated water that doesn't

generate odors, etc., just being stored there. Winter storage is our storage. We do not have plans to increase lagoons only storage.

Wes Johnson further explaining the first four are where we add air. These are the treatment cells. The others are storage.

Celeste inviting those who are online they can raise their hand or type into the chat box.

Jared Moss online, stating *he is here personally and representing several Midway residents and companies doing business in Midway and surrounding areas. Further stating the public comment, or at least the opening was for objections and myself personally and many of my clients formally oppose the bonding for a couple reasons and will lay a couple of these out. There was a comment today about storage and if it allows more waste to come to Midway, it looks like the mayor made a comment for Midway that she has a concern that she doesn't want to increase capacity or additional waste to come to the Midway citizens so that seems like a concern there. We heard concern today from the public that there is a concern for public health, and a need for testing, the stated purpose of the bond does not include any of this testing that the public has now raised as a concern, there was a statement tonight about new technology being recently introduced, but the purpose of this bond does not indicate there are tests or reports or analysis of this technology and what's available, so I think the bonding costs should allocate for that. There is also a public concern regarding water and air pollution including issues with Deer Creek pollution and nitrates entering from the wastewater getting into the Provo River and ultimately to Deer Creek. He thinks the bonding and testing around that should have some allocation towards resolving those concerns. There was a comment regarding the farming making money and we want to increase that farming. His concern, not only himself, but his constituents and clients is at what cost do we increase farming using this type of wastewater, at what cost is that to the public and its health? Mr. Moss further stating, he thinks the only bonding he thinks and himself and his clients would agree, would be in favor of would be really just, studies, around relocation and new technology to address all of these concerns, in whole, which would be public health, separating Midway from the growth of the surrounding communities and addressing the health and public issues around pollution of wastewater in Deer Creek. Pretty big issues. It seems premature to be putting out to the public \$23,000,000 if we really don't know what it's for and we haven't addressed these major concerns. So, I just wanted to raise that and formally oppose.*

Board thanked Mr. Moss for his comments.

Celeste clarifying, she is very concerned about anything that impacts Midway, she can appreciate additional sewage can come here as long as doesn't impact Midway. She is not opposed to additional sewage coming here, she is opposed to it being problematic. If there are ways to do that, she is fine with that. Expanding the plant size, etc., those are all things we would have to look at.

Nancee Keckel with a question, ***"so we will still have pond storage or not?"***

Celeste responding impact fees and rates will both be going up.

Wes Johnson stating that there is still confusion calling everything ponds and the lagoons are treatment and the rest are storage.

Celeste reaffirming, we have no intentions of increasing lagoons only winter storage. Celeste further clarifying if the question is are we going to add more lagoons the answer is no if we could potentially add winter storage, yes.

Heidi adding to match existing treatment capacity. Disposal capacity to match treatment capacity.

Celeste stating if you are online and have any questions, feel free to raise your hand or type it in the chat box.

Heidi expressing, she thinks it is important to answer Mr. Moss' question about nitrates and water pollution in Deer Creek. We are completely within State and EPA standards that we do not discharge to the Provo River and that we do not have any sort of data and the State would not allow us to have any sort of discharge that would affect Deer Creek Reservoir and we have maintained that all these years.

Wes asking if Mr. Moss made it clear he is council for local people, if that's the case. Don't we want our attorney to respond to that?

Celeste responding, she thinks that's fair.

Celeste asking if there are any other questions.

Heidi stating, she would also like to refer everyone to the "Quick Facts" at hvssd.org because that is a very easy, simple explanation of what we are talking about here and why we need to bond and what we plan for.

Ginny Tuit (I believe, difficult to hear and no identification), this is for the bond, so we are getting approval tonight for the bond, what is the plan to actually go ahead and send this out and then have the money in the bank?

Celeste replying, it is not going to happen if we don't know what we are going to spend the money on.

Ginny further asking what the timeline is. Is there a reason this has to be done tonight?

Mr. Anderson responding, once a parameters resolution is adopted by the board, which defines the limits of term of the bond and the amount they would borrow, the district is statutorily required to hold a hearing to hear comment from the public, as they consider the issuance of the debt. The district, in his opinion, trying to finalize the decision on how the bond proceeds will be spent and until they make that decision, they won't know how much they will need to borrow and when they are going to need it. Typically, expectation is within a year of when the parameters resolution is adopted.

Ginny Tuit affirming this could happen anytime during the year.

Mr. Anderson confirming this.

Mr. Anderson further explaining there is no action required tonight by the board.

Celeste thanking Mr. Anderson for the clarification.

Heidi explaining, we can't bond yet, we don't have anything to pay it with. So, we have to raise rates. This is available for review. This will not happen this month or in the next couple months.

Ryan Davis expressing concern, bonding over a clear plan, technology you are going to use or if you are going to condemn land, like Heidi keeps saying you want to do, He thinks this is a pretty material fact that..

Heidi interrupting to clarify that she didn't say condemn land. We need farmland for treatment disposal.

Mr. Davis following up with, Heidi has said that in a bunch of meetings, and it is clear that this your intention, continuing, that, if that's what you are going to do, then that's what you should do, you shouldn't say we don't know what we are going to do, we need to get the bond right now, but we don't have a clear plan how we are going to spend it. He thinks a clear plan is everyone's concern. There's not a clear plan. He thinks the other two things on his side that would be wise to sort out first are the health objections that he has brought up and that Dr. Tagge's brought up, they really ought to be part of that and people like Mr. Severson here ought to have that info coming into these meetings and know what the health concerns are that blow right at his house within a few hundred yards and he doesn't think taking five years to do a longitudinal study is in his best interest.

Celeste reaffirming, we will not bond until we have a clear plan. We want to have a clear plan, we had a clear plan and as we have been working through this, more questions have come up than answers, but we started the process, and this public hearing is a direct result of having started that process.

Mr. Davis adding, he can fully appreciate the tidal wave that is flowing at the district and recognizes the district has to do something, he can a hundred percent that and you don't have a ton of time to figure it out. He thinks those issues and going back to the public he would totally support that.

Celeste again reaffirming we are not spending any money until we have a clear plan. This is part of the process. There won't be another hearing that that is what this meeting is for.

Mr. Davis clarifying this is the last input on the bond, correct?

Celeste responding this is the required one, that's not saying we won't have more.

Mike stating this is for the bond, but not on processes. There will be other public hearings.

Ginny Tuit asking if people within a certain perimeter were notified about this hearing?

Celeste responding, we posted on all the sites we are obligated to post it on, and we encourage, go to hvssd.org, that's where we post our meetings. We welcome public input. This is not like a land use situation where we have to go 600 feet out from whatever is going to happen.

Celeste asking if there is anything else?

No further comments

(19:08) Public Hearing Closed.

Celeste expressing appreciation to the public who attended and thanked them for being here and for being a part of this process.

DISCUSSION ITEMS:

1. Other Business

Celeste asking if there is any other business?
No other business

2. Adjourn

(19:08) Motion to "Adjourn" made by Brenda Kozlowski, **Second** by Heidi Franco. **Voting:** all AYES. Motion carries. Meeting is adjourned.

ELECTRONIC PARTICIPATION: If you are interested in participating, please contact Dennis Gunn at 435-901-2257, or email dgunn@hvssd.org or go to hvssd.org to be included in teleconference.

Published on the State Public Notice Website, www.hvssd.org, Wasatch Wave and at the Heber Valley Special Service District Administration Building.

Date Approved: _____

Board Chair

Attest: _____
Dennis M Gunn, Manager

