

Ash Creek SSD

Board Meeting

June 23, 2022

Present: Richard Hirschi, Kelly Wilson, Nanette Billings, David Hirschi and Keen Ellsworth.

Staff: Michael Chandler, Fay Reber, Darrel Humphries, Matt Goodrich, Abby Pulsipher, Heath Ruesch, Mario Campos, and Kim Spendlove.

Audience: Aaron Anderson, David Wittwer, and Yvonne Spendlove

Prayer and Pledge: Kelly Wilson

Public comments: None

The minutes from the May 26, 2022, meeting was discussed.

Motion by Nanette Billings to approve the May 26, 2022, minutes. Second by Richard Hirschi. Motion carried by unanimous vote.

David Wittwer came before the board to discuss the 2021 financial audit. David reported on the auditor's opinion. There were no findings or compliance issues found in the audit. The board asked some questions about the State Auditor's risk assessment. David went over the district's net position and the yearly changes in net position. The operating, non-operating, and total cash reserves.

Aaron Anderson came before the board to talk about the impact and monthly fees that are being discussed in public hearing. Aaron talked about how the impact fee studies and growth plans are done. The impact fee study projected the needed projects in the next 6-10 year time window. After completing the master plan and impact fee analysis, they are suggesting an impact fee of \$3,101.45. They have also done a rate study on the monthly fee rate. There have not been any changes from the previous meeting. Aaron estimates the district's reserve fund will dip below five million dollars after the big project are completed. Having the rate increase will help to build the reserve back for future treatment plants. The proposed rate increases would be \$10.00 for residential homes and the same percentage for other user groups. Aaron suggested looking at the automatic increases every year to see if it was justified or enough.

Kelly declared the meeting open for public hearing.

There were no comments on the impact fee or monthly fee adjustments.

The meeting returned to regular meeting. Fay said the district has meet all the public notice requirements to raise an impact and monthly fees. The \$10.00 monthly fee increase would go into effect on July 1, 2022. The monthly fees would be automatically increased by 5% on January 1, 2024, and every January after. The board could look at that percentage every year if they felt like it was too much or not enough. A \$50.00 re-inspection fee will also be added to the district's fees. This will help cover the district's costs when the inspectors are called for an inspection that isn't completed. The board discussed the county's tax abatement program.

Motion by Keen Elsworth to adopt the resolution making changes to the monthly rates to include the July 1, increase of \$10.00 for residential connections with corresponding increases for other user groups, the 5% yearly increase starting on January 1, 2024, and the new re-inspect fee. Second by Nanette Billings. The motion carried by unanimous vote.

Motion by David Hirschi to adopt the resolution to increase impact fees for residential homes to \$3,100.00 with corresponding increases for other users. Second by Richard Hirschi. Motion carried by unanimous vote.

Mike talked about the agreement to purchase treatment plant equipment. The price of equipment has risen sharply since the district started talking to the manufacturer. With the economy fluctuating, they have proposed using a federal reserve metric that tracks the price of manufacturing to decide how much the material will cost. The final cost could go up or down based on the metric. Once the purchase papers are signed the price will be locked in. The board talked about the timeline for completing the engineering and building of the treatment plant. Mike is hoping to be moving forward towards the bidding process for the construction manager company by the next meeting.

Proposals for the construction manager companies will be bid soon. Mike explained the process. He felt like the district would get a better product without the risk of change orders.

The staff has worked with the contactors on the Toquerville bypass road and found many of the manholes had been missed in the bidding. There may be an additional fee for the new manholes.

David Hirschi asked how much of the treated wastewater could be used in reuse. Mike thought we lost about 1-2 percent from evaporation. When the plant goes online there would be less evaporation and water loss. The board talked about a suggestion to pool the reused water throughout the county.

Mike talked about not getting any type of river discharge permit because of added treatment requirements. He thought would be better to reuse all the water than try to meet the requirements of a river discharge permit.

Motion to adjourn at 7:10 PM.