

PUBLIC NOTICE is hereby given that the Ash Creek Special Service District Board will hold its regular meeting on Thursday, the 23rd day of October 2025, at the Confluence Park Treatment Facility at, 420 West 900 North LaVerkin, Utah 84745

Commencing at 4:30 PM

The board will tour and review progress on the construction of the Confluence Park Water Treatment Facility

Board Meeting
Commencing at 6:00 PM

1. Call to Order Nanette Billings
2. Darrel Humphries Prayer & Pledge of Allegiance
3. Public comments: Public Participation (no action will be taken on any item until it is properly agendized). Citizens wishing to speak during public participation are asked to go to the podium, state their name for the record, and limit comments to a minimal duration and/or no longer than three (3) minutes.
4. Board comments and declaration of conflicts of interest.
5. Discussion and approval of minutes from the August 28, 2025, meeting.
6. Fay Reber 10 minutes Discussion of legal matters.
7. Aaron Anderson 15 minutes Report on District Master Plan progress.
8. Darrel Humphries 20 minutes
 - a. Discussion and possible motion approving Missy Stewart as a check signer.
 - b. Review and discussion of the preliminary 2025 amended and 2026 proposed budgets.
 - c. Financial report on 3/4-year budget.
 - d. Notice of combined Nov/Dec meeting on December 9, 2025.
9. Michael Chandler 20 minutes
 - a. Discussion and possible motion approving annexation of Leeds into the district.
 - b. Superintendent's report on other operational matters.

Posted on this 21 day of October 2025
Michael Chandler, Superintendent

Board Meeting

Ash Creek SSD

August 28, 2025

Present: Kelly Wilson, Nanette Billings, Justin Sip, Joey Campbell, Clark Fawcett, Richard Hirschi (via phone)

Staff: Mike Chandler, Darrel Humphries, Matt Goodrich, Kavyn Bringhurst, Fay Reber

Audience: Trevor Lindley, Randy Zollinger

Prayer and Pledge: Matt Goodrich

Public comments: none

The board had no conflicts of interest to declare.

The minutes from the June 26, 2025, meeting were discussed.

Motion by Kelly Wilson to approve the June 26, 2025, minutes. Second by Joey Campbell. Carried by unanimous vote.

Fay had no legal matters to discuss.

Darrel discussed extending the annual audit contract with Hinton Burdick CPA's. The new contract price would begin at \$16,000.00.

Motion by Justin Sip to extend the annual audit contract with Hinton Burdick CPA's. Second by Clark Fawcett. Carried by unanimous vote.

Darrel presented the half-year budget for 2025. The district is right on track for revenue. Expenses are a little under budget – ideally it will stay that way to build up reserves. The district has continued to adopt a 5% annual increase on the monthly sewer billing. This has also helped put reserves away for the next treatment plant. Darrel mentioned that the district will see a boost in power bills and maintenance fees when the new treatment facility is up and running.

Impact fees are similar to last year at this point. As far as capital expenditures, the district spent a little over \$11,000,000.00 (around \$10,000,000.00 of that has been on the Confluence Treatment Plant).

Justin asked if the impact fee study has been completed yet. Darrel stated that the project is ongoing and will be submitted to the board upon completion.

Darrel explained that interest rates have held but anticipates that they will start to drop as funds go down.

Darrel discussed appointing Kavyn Bringhurst as district clerk and Darrel Humphries as district treasurer.

Motion by Justin Sip to approve appointing Kavyn Bringhurst as district clerk and Darrel Humphries as district treasurer. Second by Kelly Wilson. Carried by unanimous vote.

Mike discussed the possible approval of an easement for Dominion Energy/Enbridge Gas. The easement has already been approved but Dominion Energy/Enbridge Gas requested a vote from the board.

Motion from Kelly Wilson to approve an easement for Enbridge Gas for the Confluence Park Treatment Facility. Second by Justin Sip. Carried by unanimous vote.

Mike also requested a ratification vote for the grand approval on the Virgin Pipeline Project.

Motion by Justin Sip to approve the grant for the Virgin Pipeline Project. Second by Clark Fawcett. Carried by unanimous vote.

Mike discussed the possible motion approving a reimbursement to Rod Packer. This is to upsize the sewer line from 8" to 10" near Canyons RV. This will double the capacity in the area – this will help with some higher-density areas planned. The difference would be \$11,375.00.

Motion by Kelly Wilson to approve the reimbursement of \$11,375.00 to Rod Packer. Second by Joey Campbell. Carried by unanimous vote.

Mike requested a wage adjustment for Darrel Humphries for completing his Master's Degree in Human Resources Management. Mike proposed a Grade 4 equivalent increase of \$2.50. The raise would be retroactive to June 2025.

Motion by Kelly Wilson for a wage adjustment for Darrel Humphries. Second by Justin Sip. Carried by unanimous vote.

Mike discussed the possible approval of a pioneering agreement for Quail Lake Industrial Park with Dennett Construction. The district waived the impact fee for the county Emergency Operations Center in the QCIP area but will still need to pay a portion to Dennett Construction for the usage at the pump station. The district will not sign off on occupancy until the Emergency Operations Center pays their portion of the pioneering agreement.

Motion by Justin Sip to approve the pioneering agreement for Quail Creek Industrial Park with Dennett Construction. Second by Kelly Wilson. Carried by unanimous vote.

Mike updated the board on the Confluence Park Treatment Facility progress. Some equipment will start running as we get into October. Mike suggested a tour during our September or October meeting. In addition, Mike discussed needing to replace the lagoons with the same type of treatment plant sooner than originally anticipated.

Motion to adjourn at 7:08pm.

Revenues	2024 Actual Budget	2025 Adopted Budget	2025 Amended Budget	2026 Proposed Budget
Sewer Service	\$6,356,735.00	\$6,830,000.00	\$6,977,000.00	\$7,524,000.00
County Service	\$13,600.00	\$18,000.00	\$18,000.00	\$18,000.00
Impact Fees	\$2,313,311.00	\$2,000,000.00	\$2,550,000.00	\$3,500,000.00
Interest Income	\$1,898,795.00	\$750,000.00	\$840,000.00	\$310,000.00
Development Fees	\$24,332.00	\$22,000.00	\$30,000.00	\$25,000.00
Rental Income	\$13,950.00	\$15,000.00	\$15,000.00	\$15,000.00
Farm	\$332,485.00	\$310,000.00	\$340,000.00	\$320,000.00
Misc. Income	\$69,887.00	\$60,000.00	\$75,000.00	\$70,000.00
Retirement of Assets	\$0.00	\$50,000.00	\$95,000.00	\$12,000.00
Total	\$11,023,095.00	\$10,055,000.00	\$10,940,000.00	\$11,794,000.00

Expenditures	2023 Actual Budget	2024 Adopted Budget	2024 Amended Budget	2025 Proposed Budget
Depreciation	\$1,072,630.00	\$1,070,000.00	\$1,105,000.00	\$1,130,000.00
Bench Lake Bond	\$448,000.00	\$448,000.00	\$448,000.00	\$446,000.00
Confluence Park Bond	\$1,000,000.00	\$1,100,000.00	\$1,100,000.00	\$1,200,000.00
Wages	\$1,931,502.00	\$2,237,000.00	\$2,115,000.00	\$2,286,000.00
Benefits	\$953,753.00	\$1,135,000.00	\$1,030,000.00	\$1,151,000.00
Payroll Taxes	\$170,211.00	\$210,000.00	\$196,000.00	\$223,000.00
Pump Station Power	\$62,729.00	\$75,000.00	\$75,000.00	\$75,000.00
Confluence Park Power	\$0.00	\$0.00	\$0.00	\$210,000.00
Lagoon Power	\$0.00	\$0.00	\$0.00	\$160,000.00
Legal	\$7,413.00	\$11,000.00	\$6,000.00	\$10,000.00
Accounting	\$11,980.00	\$15,000.00	\$13,000.00	\$16,000.00
Office	\$46,568.00	\$48,000.00	\$48,000.00	\$50,000.00
Insurance	\$57,384.00	\$65,000.00	\$59,000.00	\$70,000.00
Engineering	\$0.00	\$5,000.00	\$6,000.00	\$6,000.00
Pretreatment	\$4,318.00	\$8,000.00	\$2,000.00	\$8,000.00
Fuel	\$69,195.00	\$70,000.00	\$62,000.00	\$70,000.00
Farm	\$88,774.00	\$95,000.00	\$95,000.00	\$95,000.00
Odor Control	\$0.00	\$100,000.00	\$100,000.00	\$100,000.00
Collection Maintenance	\$409,256.00	\$340,000.00	\$291,000.00	\$385,000.00
Lagoon Maintenance	\$238,028.00	\$300,000.00	\$229,000.00	\$65,000.00
Pump Maintenance	\$0.00	\$32,000.00	\$36,000.00	\$40,000.00
Building Maintenance	\$45,541.00	\$45,000.00	\$42,000.00	\$45,000.00
Confluence Park Maintenance	\$0.00	\$0.00	\$0.00	\$520,000.00
Rental Expenses	\$1,157.00	\$7,000.00	\$1,000.00	\$7,000.00
Emergency Repair	\$142,920.00	\$20,000.00	\$0.00	\$20,000.00
Misc. Expenses	\$5,458.00	\$4,000.00	\$4,000.00	\$5,000.00
Capital Project & Land	\$241,682.00	\$946,000.00	\$820,000.00	\$391,000.00
New Equipment	\$227,714.00	\$915,000.00	\$701,000.00	\$1,033,000.00
Lagoon Construction	\$256,321.00	\$108,000.00	\$105,000.00	\$270,000.00
Total	\$7,492,534.00	\$9,409,000.00	\$8,689,000.00	\$10,087,000.00

2026 Capital Budget

Capital Projects	
200 South Line project	\$ 160,000.00
Top Hats on Slip line project	\$ 111,000.00
LaVerkin Tressel Design	\$ 100,000.00
100 S. Lateral Replacement	\$ 20,000.00
Total	\$ 391,000.00
New Equipment	
Cleaning truck & chassis	\$ 610,000.00
60G Mini-X	\$ 122,000.00
325 G Skid + Sweeper	\$ 100,000.00
Vehicle Mechanical Equipment	\$ 21,000.00
SCADA Equipment	\$ 20,000.00
410 P Backhoe	\$ 160,000.00
Total	\$ 1,033,000.00
Lagoon Construction	
Pipe Shed	\$ 250,000.00
Honda Pioneer	\$ 20,000.00
Total	\$ 270,000.00

Ash Creek Special Service District

Operational Budget Report

1 District - 01/01/2025 to 09/30/2025

75.00% of the fiscal year has expired

	Prior YTD	Current Period	Current YTD	Annual Budget	Percent Used
Change In Net Position					
Income From Operations:					
Operating Income					
Charges for services					
5201 Sewer service income	3,722,558.32	597,179.43	5,185,570.89	6,830,000.00	75.92%
5211 County Service Income	9,600.00	800.00	13,200.00	18,000.00	73.33%
5242 Farm income	239,549.73	36,568.00	294,021.97	310,000.00	94.85%
5243 Rental Income	10,923.86	1,200.00	9,785.00	15,000.00	65.23%
5247 Development Fees	14,881.87	0.00	26,600.00	22,000.00	120.91%
5249.2 Operating grant income	885.00	0.00	0.00	0.00	0.00%
5249.9 Other operating income	52,707.12	6,327.79	61,377.79	60,000.00	102.30%
Total Charges for services	4,051,105.90	642,075.22	5,590,555.65	7,255,000.00	77.06%
Total Operating Income	4,051,105.90	642,075.22	5,590,555.65	7,255,000.00	77.06%
Operating expenses:					
Personal services					
6110 Salaries & Wages	1,419,047.15	162,283.64	1,562,586.32	2,237,000.00	69.85%
6131 Emp Ben FICA	111,008.20	12,354.03	121,019.98	180,000.00	67.23%
6133 Emp Ben Retirement	301,392.95	31,668.31	306,568.87	497,000.00	61.68%
6135 Emp Ben Health Insurance	351,005.20	260.15	442,937.38	625,000.00	70.87%
6140 Emp Ben disability/workers comp	19,043.25	755.34	25,872.39	24,000.00	107.80%
Total Personal services	2,201,496.75	207,321.47	2,458,984.94	3,563,000.00	69.01%
Utilities expense					
6430 Power expense	45,448.43	8,709.94	50,222.53	75,000.00	66.96%
6435 Lagoon Power	127,942.86	17,678.42	118,123.91	170,000.00	69.48%
Total Utilities expense	173,391.29	26,388.36	168,346.44	245,000.00	68.71%
Repair and maintenance					
6255 Fuel	53,957.14	13,293.21	40,799.75	70,000.00	58.29%
6450 Maintenance - sewer collection system	292,626.38	12,874.29	122,828.86	242,000.00	50.76%
6451 Maintenance - pump stations	0.00	105.50	1,463.83	32,000.00	4.57%
6452 Maintenance - odor control	0.00	19,372.02	74,195.70	100,000.00	74.20%
6455 Maintenance - lagoons	56,868.93	1,364.90	54,302.60	130,000.00	41.77%
6456 Building Expense	19,558.74	1,558.03	12,910.75	45,000.00	28.69%
6457 County Expense	0.00	0.00	40.00	0.00	0.00%
6458 Emergency repairs	0.00	0.00	0.00	20,000.00	0.00%
6465 Maintenance - equipment	45,807.58	2,527.64	41,769.27	60,000.00	69.62%
6475 Farm expenses	68,448.51	6,671.29	71,953.11	95,000.00	75.74%
6477 Rental Expense	838.25	97.68	906.26	7,000.00	12.95%
Total Repair and maintenance	538,105.53	57,864.56	421,170.13	801,000.00	52.58%
Other supplies and expense					
6230 Clothing allowance	4,400.00	0.00	4,800.00	5,000.00	96.00%
6231 Employee incentives	82.45	(258.64)	2,978.53	8,000.00	37.23%
6235 Training travel and conferences	34,144.44	2,756.00	25,865.40	38,000.00	68.07%
6236 Training - pretreatment	4,317.79	0.00	1,066.17	8,000.00	13.33%
6240 Office expense	37,963.24	6,071.15	34,245.23	48,000.00	71.34%
6311 Professional - legal fees	5,575.00	0.00	3,481.50	11,000.00	31.65%
6312 Professional accounting fees	11,980.00	710.50	12,610.50	15,000.00	84.07%
6313 Professional engineering fees	0.00	0.00	7,900.00	95,000.00	8.32%
6630 Other operating expense	3,756.96	0.00	0.00	4,000.00	0.00%
Total Other supplies and expense	102,219.88	9,279.01	92,947.33	232,000.00	40.06%
Insurance expense					
6510 Insurance expense	54,988.38	5.00	(142,717.57)	65,000.00	-219.57%
Total Insurance expense	54,988.38	5.00	(142,717.57)	65,000.00	-219.57%
Depreciation expense					
6710 Depreciation expense	804,052.11	92,136.94	828,357.35	1,070,000.00	77.42%
Total Depreciation expense	804,052.11	92,136.94	828,357.35	1,070,000.00	77.42%
Total Operating expenses:	3,874,253.94	392,995.34	3,827,088.62	5,976,000.00	64.04%
Total Income From Operations:	176,851.96	249,079.88	1,763,467.03	1,279,000.00	137.88%
Non-operating Items					
Non-operating income					
5252 Impact fee income	1,745,680.29	140,063.99	1,977,783.27	2,000,000.00	98.89%
5260 Interest income	994,344.34	70,619.53	712,992.47	750,000.00	95.07%
5280 Gain/loss on retirement of assets	0.00	0.00	0.00	50,000.00	0.00%

Ash Creek Special Service District**Operational Budget Report**

1 District - 01/01/2025 to 09/30/2025

75.00% of the fiscal year has expired

	<u>Prior YTD</u>	<u>Current Period</u>	<u>Current YTD</u>	<u>Annual Budget</u>	<u>Percent Used</u>
Total Non-operating income	<u>2,740,024.63</u>	<u>210,683.52</u>	<u>2,690,775.74</u>	<u>2,800,000.00</u>	<u>96.10%</u>
Non-operating expense					
6820 Interest expense	<u>747,196.98</u>	<u>0.00</u>	<u>932,261.63</u>	<u>0.00</u>	<u>0.00%</u>
Total Non-operating expense	<u>747,196.98</u>	<u>0.00</u>	<u>932,261.63</u>	<u>0.00</u>	<u>0.00%</u>
Total Non-operating Items	<u>1,992,827.65</u>	<u>210,683.52</u>	<u>1,758,514.11</u>	<u>2,800,000.00</u>	<u>62.80%</u>
Total Change In Net Position	<u>2,169,679.61</u>	<u>459,763.40</u>	<u>3,521,981.14</u>	<u>4,079,000.00</u>	<u>86.34%</u>