

**Minutes**  
**Central Davis Sewer District Board Meeting**  
**January 7, 2010**

The Board of Trustees for Central Davis Sewer District met in regular session at 7:00 pm at the District office located at 2200 South Sunset Drive, Kaysville, Utah 84037.

**Present:** Attending the meeting were Chair Susan Holmes and Trustees Sherm Cloward, Steve Brough, John Thacker, and Carol Page. Staff members attending were District Manager Leland Myers and District Engineer Jill Houston. Also attending were Jim Goodley from JUB Engineers, Rich Haws and Scott Harwood from the Haws Companies, and Kent Sulser from Davis County Economic Development.

**Minutes:** Chair Holmes asked if there were any corrections to the minutes for December 10, 2009. Trustee Cloward moved to approve the minutes as presented. Trustee Brough seconded the motion and all Trustees voted aye.

**Claims:** Chair Holmes asked Manager Myers to review the claims list with the Board. After review, Trustee Brough moved to accept the claims as presented. Trustee Thacker seconded the motion and all Trustees voted aye.

**Haws Company Request:** Chair Holmes welcomed the representatives of The Haws Companies and invited Rich Haws to make his request. Mr. Haws thanked the Board for their time and presented the following information:

The Haws plans are consistent with that Farmington City Master Plan. The Haws Companies are proposing a transportation mixed use development and normally commercial follows residential.

When this area was originally master planned, The Haws Companies were assured that access to the sewer facilities were available directly into the existing main truck line running along the tracks and down Burke Lane. We annexed and purchased property with that understanding.

The Haws Companies accepts that development will be responsible to pay for all of the development improvements necessary to bring the sewer lines to the proposed Offsite Pump Station. We also understand that the Pump Station and Pressure Line Segment are in the existing Capital Facilities Plan Budget and are necessary system improvements.

Haws Companies will pay up front, upon receipt of a building permit for the Phase 1 improvements, an impact fee of \$2,200 per unit (Phase 1 consists of 324 units) for a total of \$712,800 into a construction escrow account.

Haws Companies engineers have estimated the cost for the Pump Station and Pressurized Line Segment to be in the \$800,000 range. This does not include the land or access road improvements. The Haws Companies cannot finance these improvements outside of using these impact fees.

At construction of the Phase One improvements, The Haws Companies will deposit the difference between paid impact fees of \$712,800 and the final agreed upon cost to construct the Pump Station and Pressurized Line Segment – currently estimated at an additional \$87,200.

The Haws Companies will design the required facilities to the CDS D specifications and approval of said plans. The Haws Companies desire to be in control of the construction for both the timing and exterior design, as the coordination with the other improvements will be crucial. This will be in a high profile location, the design of which will be important to fit in with the exterior and landscaping theme of the area.

The additional deposit will be reimbursed through a reimbursement agreement – where the next dollars paid into the impact fee account with CDS D will be used to repay this advance.

The Haws Companies understand that the capacity of the proposed improvements will be in the 1,500 to 2,000 total units range. With the First Phase being only 324 units, this will leave over 1,200 future units and their related impact fees for reimbursement of these initial improvements. Not knowing the long-term master plan design of the area – this is a 5 to 1 ratio of coverage for these initial improvements.

It is helpful to remember that these “System Improvements” will be the catalyst to bring to fruition the economic tax base the Stakeholders have been counting on. While this initial phase is high density residential, it is in the location we have always been planning and creates the rooftops that will bring the rest of the plan together. Commercial always follows residential.

During Mr. Haws presentation there were questions and answers with the District Board. The principal concern is that the District has not done this for any other developer. It was also pointed out that as a system improvement the District would construct this at an appropriate time based on availability of revenues and priority of

needs. Chair Holmes thanked Mr. Haws for the information and asked the Board for comments or concerns. The following points were made by the Board:

The District's position is that development pays for development. As a capital facility this pump station and pressure line will be constructed at a time that is best for the District. If developers want the facility sooner, they will have to finance the project. The District will follow the impact fee law in providing a credit to the developer for any investment in system improvements.

The District would be remiss in providing all of the initial impact fees for construction of the pump station. Other system improvements have been constructed and a deficit in the impact fee ledger needs to be compensated.

The Board is not willing to accept the risk that applying the entire impact fees collected initially to the pump station would create. This shifts the risk from the developer to the citizens of the District.

Use of impact fees should be prioritized based on entire District needs and not those of one development

At this time a general discussion of the legal requirements relative to reimbursing for system improvements occurred. The legal requirement was not well understood by all. Kent Sulser from Davis County commented that the County supported this development in hopes that the Class A business park would be built.

Due to the legal requirements the Board has relative to providing a credit to a developer for construction of system improvements, Trustee Thacker moved to refer this matter to legal counsel and to authorize the Manager to work with legal counsel on the issue. Trustee Page seconded the motion and all Trustees voted aye.

**Biosolids Reports and Documents:** Chair Holmes expressed appreciation for Staff's work on the Biosolids Report and invited them to present the final items for review. Staff reviewed the following items with the Board:

1. Biosolids Management Report – 2009
2. EMS Management Review – 2009
3. 2009 External Audit
4. 2009 Internal Audit
5. 2009 Annual Biosolids Report to the State DWQ and EPA
6. Final 2010 Goals.

After review and discussion, Trustee Thacker moved to accept the reports as presented. Trustee Cloward seconded the motion and all Trustees voted aye.

**Procurement – Stairway Cover:** Manager Myers reported that an employee had slipped and fallen on a icy stairway causing a broken leg. While not a lost time accident, it was still serious and the uncovered stairway presented a safety hazard. The stairway in at the headwork building which is a corrosive area. Staff had looked for a cover for the stairway, but determined that typical awnings were not strong enough to withstand the corrosion. Staff requested and received the following proposal from a steel fabricator for a fabricated structure:

Lake Welding	\$6,285
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Staff requested approval of the bid as a sole source item based on the need for durability and safety. Trustee Cloward moved to approve the sole source procurement with Lake Welding. Trustee Page seconded the motion and all Trustees voted aye.

**Procurement – Flint Street Relief Sewer:** Manager Myers reported that the design of relief project was complete and ready for bidding. A drawing of the project was reviewed. Bids will be presented at the February 2010 Board meeting for consideration

**Minor Items:** The following minor items were reviewed with the Board:

1. Press Release on legal notices and state statute.
2. Information on Chemical Security legislation.
3. Year end expended vs. budget report.

**Closed Session:** Trustee Thacker moved to go into closed session to discuss professional competence of an employee. Trustee Page seconded the motion and all Trustees voted aye. Chair Holmes signed an affidavit for the meeting. At the end, Trustee Thacker moved to return to open session. Trustee Brough seconded the motion and all Trustees voted aye.

Trustee Page moved to adjourn the meeting. Trustee Cloward seconded the motion and all Trustees voted aye.

The meeting adjourned at 8:35 pm.

Next regular meeting: February 11, 2010.

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District Manager