



Ashley Valley Sewer Management Board

MINUTES OF THE ASHLEY VALLEY SEWER MANAGEMENT BOARD  
MEETING HELD  
March 12, 2024

**Regular Monthly Meeting**

This regular scheduled meeting was held Tuesday March 12, 2024 at 5:00 p.m. at the Vernal City Office. Board Members present were Chairman Richard Jolley, Randel Mills, Corey Foley, Max Haslem, Boyd Workman and Nolan Jackson. Employees in attendance were Dean Gibbs and Amiee Peterson.

Chairman, Richard Jolley, called the meeting to order at 5:11 p.m.

**Review & Approval February 13, 2024 Minutes:**

Boyd Workman makes the motion to approve the February 13, 2024 Meeting Minutes  
Randel Mills seconded, and the motion passed with affirmative vote by Richard Jolley, Corey Foley, Nolan Jackson and Max Haslem.

**Manager's Report:**

*Budget Status & Connections Review:*

Dean Gibbs reviewed the Budget & Connections report.

*Sewer Steering Meeting & Infiltration presentation:*

Dean Gibbs stated Richard Wallis and himself attended a presentation from RH Borden on infiltration and inflow. Dean Gibbs stated RH Borden presented the Itracker ultrasonic level sensor technology, this Itracker would monitor water level in the invert, calculate and locate changes within the wastewater collection system, which includes storm water and ground water infiltration increases. Dean Gibbs stated RH Borden services includes installing and monitoring the major sub-basins and then reviewing the data, identifying the areas with I&I issues, and installing a mass quantity of the sensors within those problem areas to pinpoint the infiltration or inflow source. Dean Gibbs stated the sewer steering committee would be discussing and reviewing the information in the next scheduled meeting.

*MACU CD(s) Maturity & Options:*

Dean Gibbs stated two of the MACU CD(s) would be maturing on March 16, 2024, he reviewed different options for the MACU CD(s). After further discussion the Board would recommend a 12-month Certificate for 5.13% APR Rate. Corey Foley makes the motion to approve a 12-month Certificate for 5.13% APR Rate, Randel Mills seconded, and the motion passed with affirmative roll call vote by Nolan Jackson, Max Haslem, Boyd Workman and Richard Jolley.

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*Capital Assets Replacement & Rates:*

Dean Gibbs stated the Board had requested in the February 2024 Meeting to see some rate and capital savings scenarios with larger but less frequent increases.

Dean Gibbs reviewed 3 scenarios for the capital savings worksheets.

Capital Savings worksheet #1 scenario is based on an initial rate increase of 10.5% increase to all three rates and increase an additional 10.5% every 3 years with no new debt or bonding. Dean Gibbs stated Capital Savings worksheet #1 would not fully fund depreciation until 2037 and the commercial overage rates would not cover the actual cost to treat the additional wastewater when calculated out operating expense per a gallon, he stated the Board is not covering the actual cost in treating excess wastewater. Dean Gibbs stated he would like the Board to consider some different options for commercial base overage charges, which include one option of charging after 6,000 gals instead of 8,000 gals per month.

Capital Savings Worksheet #2 includes a more significant increase every 3 years to the residential rates, smaller increases to the base commercial rate until 2031 when both the residential and the base commercial rates would become equal. In this scenario the commercial overage charges would start at 6,000 gallons with significant increases every 3 years until 2031 at which the charges would actually cover the costs to treat the excess wastewater. Scenario #2 also includes no new bonding or debt. Dean stated that this scenario would allow the Board to start covering the estimated asset depreciation expense with operating fees by 2031.

Capital Savings Worksheet #3 includes a 10% initial increase to residential rates and 10% every 3 years in the future, a 4.5% initial increase to the base commercial rate and 10% every 3 years in the future, and again starting the commercial overage charges at 6,000 gallons with an average \$0.52 per 1,000 gallon increase for the next four years and then a 10% increase every 3 years after. This would get the overage rates to the estimated cost of treatment by 2028. Scenario #3 includes no new debt or bonding. Dean Gibbs stated this scenario would allow the Board to cover estimated asset depreciation expense with operating revenue by 2031.

Dean Gibbs reviewed a sewer rate spreadsheet from other entities in Utah compared to Ashley Valley Water & Sewer Improvement District, Maeser Water and Vernal City. Dean Gibbs stated a lot of the Wastewater Districts in Utah are going through rate studies and are having to increase rates significantly to keep up with inflation, growth, repair & replacement of aging equipment and infrastructure, and modifying or replacing their existing treatment processes for nutrient removal.

Chairman Jolley stated that the Board Members will take the rate scenarios back to their respective Boards for discussion and review.

*Plant Operations, Maintenance & Safety Update:*

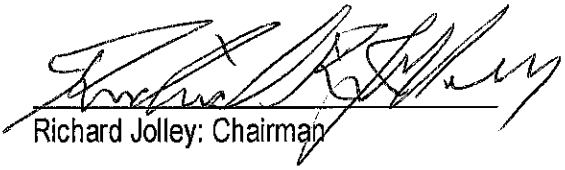
Dean Gibbs stated how pleased he is with the operations at the plant, the employees at the plant work efficiently to keep the plant operating daily.

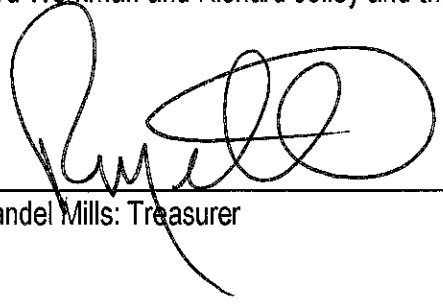
**Approval of New Vendors:**

Dean Gibbs stated no New Vendors for the Month of March.

96 **Approval of Bills:**  
97 Corey Foley makes the motion to approve the monthly bills, Max Haslem seconded, and the  
98 motion passed with affirmative roll call vote by Nolan Jackson, Boyd Workman, Randel Mills and  
99 Richard Jolley.

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101 **Adjourn Meeting:**  
102 Randel Mills makes the motion to adjourn, Corey Foley seconded, and the motion carried with an  
103 affirmative vote by Max Haslem, Nolan Jackson, Boyd Workman and Richard Jolley and the  
104 meeting adjourns at 6:15 pm.

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Richard Jolley: Chairman

  
Randel Mills: Treasurer

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111 Date: March 26, 2024  
112 Date Approved: April 9, 2024