

Roy Water Conservancy District

Minutes of Board Meeting

June 14, 2023

5:00 p.m.

The following are minutes of the Board of Trustees regularly scheduled board meeting that was held at Roy Water Conservancy District, located at 5440 Freeway Park Drive, Riverdale, UT 84405, on Wednesday, June 14, 2023, at 5:00 p.m.

Present: Mark Ohlin, Chair; Gary L. Newman, Vice-Chair; Chad Zito, Trustee; Rodney Banks, Manager/Treasurer; Ryan Child, Child Richards CPAs and Advisors; Linda Toupin, District Clerk; and Courtney Harris, Records Clerk.

Excused: Gary S. Adams and Jon S. Ritchie, Trustees.

I. CALL TO ORDER. Chair Ohlin called the meeting to order at 5:00 p.m. and welcomed everyone present.

II. PLEDGE OF ALLEGIANCE. The Pledge of Allegiance was led by Mr. Zito.

III. APPROVAL OF MINUTES.

A. Approval of May 2023 Board Meeting Minutes. Mr. Zito made a motion to accept and approve the minutes of May 17, 2023, board meeting as written. Mr. Newman seconded the motion. The motion carried unanimously.

B. Approval of Public Hearing Minutes for Increasing Contract Water Assessments. Mr. Zito made a motion to accept and approve the public hearing minutes for Increasing Contract Water Assessments as written. Mr. Newman seconded the motion. The motion carried unanimously.

C. Approval of Public Hearing Minutes for the Allotment of Water. Mr. Zito made a motion to accept and approve the public hearing minutes for the Allotment of Water as written. Mr. Newman seconded the motion. The motion carried unanimously.

D. Approval of Public Hearing Minutes for Levying Contract Assessments. Mr. Zito made a motion to accept and approve the public hearing minutes for Levying Contract Assessments as written. Mr. Newman seconded the motion. The motion carried unanimously.

IV. BUSINESS.

A. Public Comments. As no members of the public were present, Chair Ohlin closed the floor for public comments.

B. Consideration of 2022 Audit Report by Child Richards CPAs and Advisors. Mr. Child said there were no findings or recommendations to report. Mr. Child said in their opinion, the financial statements in the audit report are fairly presented in all material respects with respect to generally accepted accounting principles. Mr. Child said the audit was conducted in accordance with Government Auditing Standards. Mr. Child said management has taken good care of the accounting.

Mr. Child presented management's discussion and analysis, which provides a narrative for changes in the audit year, and the statement of net position. Mr. Child said changes in accounting policies regarding leases require

entities to book a right of use in both assets and liabilities at the inception of a lease. Mr. Child went over operating revenues, operating expenses, and changes in fund net position, as well as the statement of cash flows. Mr. Child went over the payment schedule for the bond.

Mr. Child said there were no inefficiencies in internal controls relevant to the financial statements. Mr. Child said they tested compliance with state compliance requirements for budgetary compliance, fraud risk assessment, cash management, impact fees, and special and local service district board members and had no findings to report. Mr. Child said he appreciates the help of District employees while conducting the audit.

Mr. Zito made a motion to accept the 2022 audit report by Child Richards CPAs and Advisors. Mr. Newman seconded the motion. The motion carried unanimously.

Mr. Child was excused at 5:16 p.m.

C. Consideration of Final Payment for 2400 West 4200 South Main Line Replacement Project. Mr. Banks said asphalt patching had been finished, which completed the project.

Mr. Newman made a motion to approve a final payment for 2400 West 4200 South Main Line Replacement Project in the amount of \$13,255.95 to Braegger and Sons Inc. Mr. Zito seconded the motion. The motion carried unanimously.

D. Consideration of Progress Payment for Secondary Water Metering Project Phase 4. Mr. Banks said there have been approximately 400 meters installed so far for this phase of the meter project. Mr. Banks said he met with Poulsen Construction, and they are working on a plan to move more quickly.

Mr. Zito made a motion to approve a progress payment for the Secondary Water Metering Project Phase 4 in the amount of \$91,162.00 to Leon Poulsen Construction. Mr. Newman seconded the motion. The motion carried unanimously.

E. Consideration of Sand Ridge Constructors Agreement. Mr. Banks said he had received a proposed agreement from Sand Ridge Constructors, which is the company doing work for UDOT on the 5600 South project. Mr. Banks said they are requesting use of a GPS base pole that is mounted to the roof of the District's building. Mr. Banks said the District is no longer using the pole, but it is still in good operating condition. Mr. Banks said Sand Ridge Constructors is proposing compensation to the District for use of the pole and use of power to their equipment on the pole. Mr. Banks said the initial term is through December 31, 2026. Mr. Banks said Attorney Rose thoroughly reviewed the agreement, as did Sand Ridge Constructors.

Mr. Newman made a motion to approve the Sand Ridge Constructors Agreement and authorize the District's Chair to sign the agreement. Mr. Zito seconded the motion. The motion carried unanimously.

F. Consideration of 2023 Certified Tax Rate. Mr. Banks said the certified tax rate published by Weber County for 2023 is 0.000046, which will result in approximately \$142,000 in ad valorem tax revenue.

Mr. Zito made a motion to approve the 2023 Certified Tax Rate. Mr. Newman seconded the motion. The motion carried unanimously.

V. REPORTS FROM MANAGER AND TRUSTEES.

A. Report of GFOA Annual, May 21-24, 2023. Mr. Banks said the national conference was held in Portland, Oregon, and assisted Mr. Banks in acquiring the continuing education requirements set forth in the fraud risk assessment.

B. Summer BBQ. The Board members approved the invitation list for the annual District BBQ on June 29th at 6 p.m.

C. Manager & Trustees Reports. Mr. Banks said the rock sign by the entrance has been moved back from Freeway Park Drive as part of the 5600 South project.

Mr. Banks said the 914 CAT loader has been delivered.

Mr. Banks said Young told him there are five 2024 trucks available if the District would like to purchase them. Mr. Banks said the trucks are not identical to the ones ordered, but the District will purchase the trucks available. Mr. Banks said there is potential for trucks to be purchased again next March in order to stay on schedule with government ordering. Mr. Banks said the current trucks will not be sold until new trucks are here.

Mr. Banks said pump #5 had a new motor installed, but a significant vibration was detected during a test. Mr. Banks said more testing will be required, and he is not sure yet how much repairs to the shaft will cost. Mr. Banks said the sediments in secondary water cause wear to the bowls over time.

Mr. Banks said the ULGT auto and liability insurance renewal stayed the same price, and there was a premium increase in property coverage of \$327.

Mr. Banks said as of June 13, 2023, East Canyon was 101% full, Echo was 98% full, and the Weber River Basin water year-to-date precipitation was 140% of median. Mr. Banks said almost 61% of the state is in abnormally dry to severe drought condition. Mr. Banks said District water users are using about 31% more water than at this time last year.

D. Review of Monthly Bank Statements and Cancelled Checks. Mr. Newman said the audit committee, consisting of himself, Mr. Banks, and Ms. Toupin, met June 13, 2023, and reported no problems or issues with the monthly bank statements, credit card statements, and cancelled checks.

VI. APPROVAL OF FINANCIAL REPORTS.

A. Monthly Financial Report. Mr. Newman made a motion to approve the monthly financial report. Mr. Zito seconded the motion. The motion carried unanimously.

VII. APPROVAL OF CHECKS.

A. Current Checks. Mr. Newman made a motion to approve the checks for June 14, 2023. Mr. Zito seconded the motion. The motion carried unanimously.

VIII. ADJOURNMENT. Mr. Newman made a motion to adjourn at 5:39 p.m. Mr. Zito seconded the motion. The motion carried unanimously.

Minutes Approved

Mark Ohlin, Chair

Recording Secretary