

Roy Water Conservancy District

Minutes of Board Meeting

December 14, 2022

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, December 14, 2022, at 5:00 p.m.

Present: Mark Ohlin, Chair; Gary L. Newman, Vice-Chair; Chad Zito, Gary S. Adams, and Jon S. Ritchie, Trustees; Rodney Banks, Manager/Treasurer; Linda Toupin, District Clerk; and Courtney Harris, Records Clerk.

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. Newman.

III. APPROVAL OF MINUTES. Mr. Ritchie made a motion to accept and approve the minutes of November 9, 2022, board meeting as written. Mr. Adams seconded the motion. The motion carried unanimously.

IV. BUSINESS.

A. Consideration of 2022 Fraud Risk Assessment. Mr. Banks said the fraud risk assessment is an annual requirement of the State Auditor. Mr. Banks said the idea behind the assessment is to score entities on their fraud risk and identify areas for improvement. Mr. Banks said the District again scored 385 points out of a possible 395 for 2022. Mr. Banks said the District does not get all points possible because no members of the management team have at least a bachelor's degree in accounting.

Mr. Newman made a motion to accept the 2022 Fraud Risk Assessment. Mr. Zito seconded the motion. The motion carried unanimously.

B. Consideration of Opening PTIF Account for Bond. Mr. Banks said an additional Public Treasurers Investment Fund account is required by the Board of Water Resources to keep funds from the bond separate for the secondary water metering project.

Mr. Newman made a motion to approve opening a PTIF account to deposit the Board of Water Resources bond funds into. Mr. Adams seconded the motion. The motion carried unanimously.

C. Consideration of 2022 CAT 938M Sale and CAT 914 Purchase. Mr. Banks said the CAT 914 is not anticipated to be purchased until next year, but Mr. Banks would like to be able to act on the purchase as soon as a machine is available. Mr. Banks said the District has made approximately \$74,000 by participating in the buy-back program. Mr. Banks said the District staff determined a smaller machine like the CAT 914 will be adequate and useful.

Mr. Adams made a motion to approve the CAT 914 purchase and the 2022 CAT 938M sale. Mr. Newman seconded the motion. The motion carried unanimously.

D. Consideration of Final Payment for WaterSMART Grant R22AP00053. Mr. Banks said Ormond Construction had completed installation of 100 meters for the WaterSMART grant. Mr. Banks said everything has been installed and inspected.

Mr. Ritchie made a motion to approve a final payment for the WaterSMART Grant R22AP00053 Meter Retrofit Project in the amount of \$135,014.85 to Ormond Construction. Mr. Zito seconded the motion. The motion carried unanimously.

E. Consideration of Final Payment for 2022 Main Line Valve Replacement Project. Mr. Banks said the District has been replacing older valves in the system that no longer function as well as they should.

Mr. Adams made a motion to approve a final payment for the 2022 Main Line Valve Replacement Project in the amount of \$35,160.00 to E.H. Knudson Construction. Mr. Zito seconded the motion. Chair Ohlin, Mr. Zito, Mr. Ritchie, and Mr. Adams voted, "aye". Mr. Newman recused himself from voting because of a familial relationship with E.H. Knudson Construction. The motion carried.

F. Consideration of Secondary Water Metering Grant and Loan Second Application. Mr. Banks said the Board of Water Resources opened another round of applications for additional funds. Mr. Banks said there is \$50 million available and has heard that seven entities are asking for \$10 million each.

Mr. Newman made a motion to approve the submission of a second Secondary Water Metering Grant and Loan application and authorize the General Manager to sign the application. Mr. Zito seconded the motion. The motion carried unanimously.

G. Consideration of Prescriptive Easement. Mr. Banks said as he looked through records for an easement on the east and west sides of the freeway in conjunction with UDOT's 5600 South Project, he was never able to find a fully executed easement at the District office or recorded with Weber County for the easement on the Mollerup property. Mr. Banks said there are multiple documents showing the intent of the easement from as far back as 1972, but nothing was executed or recorded. Mr. Banks said this prescriptive easement will be recorded at Weber County for the 48" and 30" transmission lines. Mr. Banks said the transmission lines appear to have been constructed between December 1976 and April 1977. Mr. Banks said Utah State Code says a water conveyance facility that has been open and notorious for a period of 20 years or more is allowed to do a prescriptive easement.

Mr. Ritchie made a motion to approve the Notice of Prescriptive Easement. Mr. Newman seconded the motion. The motion carried unanimously.

H. Consideration of 2023 Holidays. Mr. Banks said the Trustees are presented each year with the holidays for approval.

Mr. Adams made a motion to approve the 2023 Holidays. Mr. Ritchie seconded the motion. The motion carried unanimously.

I. Consideration of 2023 Conferences. Mr. Banks said it is not necessary to choose at this time which conferences the Trustees will attend in 2023 as this is primarily for budget purposes.

Mr. Newman made a motion to approve the 2023 Conferences. Mr. Zito seconded the motion. The motion carried unanimously.

J. Consideration of 2023 Board Meetings and Public Hearings. Mr. Banks said Board Meetings are typically held on the second Wednesday of each month, but there are conflicts in April, May, and November. Mr. Banks said it would make the most sense to hold Board Meeting on the third Wednesday in May and November. The Trustees decided to hold Board Meeting in April on the third Wednesday (April 19th).

Mr. Newman made a motion to approve the 2023 Board Meetings and Public Hearings as discussed. Mr. Adams seconded the motion. The motion carried unanimously.

K. Consideration of Letter of Participation in Weber County's Pre-Disaster Mitigation Plan. Mr. Banks said the District has participated with Weber County on their Pre-Disaster Mitigation Plan in the past. Mr. Banks said the County puts together the plan to submit to FEMA. Mr. Banks said participating entities can include projects associated with hazards, such as damage caused by earthquakes, and submit for grant money for mitigation projects from FEMA once the plan is approved. Mr. Banks said the Trustees need to approve a letter of participation as a requirement of FEMA.

Mr. Newman made a motion to approve the Letter of Participation for Weber County's Pre-Disaster Mitigation Plan. Mr. Zito seconded the motion. The motion carried unanimously.

L. Discussion of Master Agreement for UDOT's 5600 South Project. Mr. Banks said UDOT has sent a Master Agreement for the 5600 South Project. Mr. Banks said if the District is required to participate in paying for any infrastructure betterment or upgrades, it would make sense to have UDOT's design team design it and have UDOT's contractors do the work. Mr. Banks said there is nothing the District is looking at upgrading at this time. Mr. Banks said he does not like that UDOT wants the funds for upgrades to be deposited upfront with no guarantee of interest accrual for the District. Mr. Banks asked the Trustees if they will allow Attorney Rose to review the Master Agreement and allow Mr. Banks to pursue negotiation with UDOT for changes. The Trustees were in favor of attorney review and negotiation by Mr. Banks.

M. Public Comments. No members of the public were present.

V. REPORTS FROM MANAGER AND TRUSTEES.

A. Manager & Trustees Reports. Mr. Banks reminded the Trustees of the D&WCCC Stockholders meeting on December 15, 2022, at 6:30 p.m. at the D&WCCC office in Sunset.

Mr. Banks said the bond closing will take place on December 15, 2022, at 10:00 a.m.

Mr. Banks said he met with Sandridge Constructors who represent UDOT on the 5600 South Project. Mr. Banks said the meeting went well.

Mr. Banks said there is a secondary water service to the So Delicious property (previously Village Inn) west of the freeway on 5600 South. Mr. Banks said UDOT asked if there is another way to service the parcel as there are no other secondary water services in the area, and District staff is unclear on why the service was installed to the property. Mr. Banks said there is a 4" line that runs by the District's digital sign, goes west over the canal, underneath Freeway Park Drive, both bridge abutments for the freeway, underneath the freeway offramp, and to the So Delicious property. Mr. Banks showed the Trustees the District map on the overhead projector. Mr. Banks said he is pretty sure So Delicious did not use secondary water last year, although they are being charged as there is a contract in place. Mr. Banks said UDOT asked if there is a way to eliminate the infrastructure. Mr. Banks said the contract and petition was signed in the early 1990s. Mr. Banks said UDOT plans to bring in about 26 feet of fill for the 5600 South project that would be put on top of the 4" secondary water mainline. Mr. Banks said it could cost \$150,000 or more to re-route the service to the single property from another direction.

Mr. Banks said there are some legal issues he will talk with the attorney about. Mr. Banks said Roy City is fine allowing the So Delicious property to use culinary water for any landscaping. Mr. Zito said he was concerned with setting a precedence, although Mr. Banks explained this situation is very different from other times the District has been approached by property owners asking to have secondary water removed from their property. The Trustees were in favor of having Mr. Banks talk to Attorney Rose and UDOT about removing the infrastructure and secondary water service to the property.

Mr. Banks said East Canyon was 55% full and Echo Reservoir was 59% full as of December 13, 2022. Mr. Banks said the Weber River Basin precipitation was at 156% of median, but it is early in the water season.

B. Review of Monthly Bank Statements and Cancelled Checks. Mr. Newman said the audit committee, consisting of himself, Mr. Banks, and Ms. Toupin, met December 13, 2022, and reported no problems or issues with the monthly bank statements, credit card statements, and cancelled checks. Mr. Newman was excused at 5:42 p.m.

VI. APPROVAL OF FINANCIAL REPORTS.

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

VII. APPROVAL OF CHECKS.

A. Current Checks. Mr. Zito made a motion to approve the checks for December 14, 2022. Mr. Adams seconded the motion. The motion carried unanimously.

VIII. ADJOURNMENT. Mr. Zito made a motion to adjourn at 6:00 p.m. Mr. Ritchie seconded the motion. The motion carried unanimously.

Minutes Approved

Mark Ohlin, Chair

Recording Secretary