

Roy Water Conservancy District

Minutes of Board Meeting

December 8, 2021

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 8, 2021, at 5:00 p.m.

Present: Chad Zito, Chair; Mark W. Ohlin, Vice-Chair; Darl R. Field and Gary L. Newman, Trustees; Rodney Banks, Manager/Treasurer; Linda Toupin, District Clerk; and Courtney Harris, Records Clerk.

Excused: Jay L. Cottle, Trustee

I. CALL TO ORDER. Chair Zito 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. Ohlin.

III. APPROVAL OF MINUTES. Mr. Ohlin made a motion to accept and approve the minutes of November 17, 2021, board meeting as written. Mr. Newman seconded the motion. The motion carried unanimously.

IV. BUSINESS.

A. Consideration of 2021 Fraud Risk Assessment. Mr. Banks said last year was the first year the State Auditor required the fraud risk assessment, which will need to be completed annually and submitted to the State Auditor's office. Mr. Banks discussed each item on the assessment form. Mr. Banks said the District's score is 385 out of 395 points possible because the District does not have a licensed or certified (CPA, CGFM, CMA, CIA, CFE, CGAP, CPFO) expert as part of its management team.

Mr. Ohlin made a motion to accept the 2021 Fraud Risk Assessment. Mr. Newman seconded the motion. The motion carried unanimously.

B. Consideration of Transferring Funds from the PTIF Capital Facilities Account to the Bank of Utah Capital Facilities Accounts. Mr. Newman made a motion to transfer the funds from the PTIF Capital Facilities Account to the Bank of Utah Capital Facilities Account. Mr. Ohlin seconded the motion. The motion carried unanimously.

C. Consideration of Changing the PTIF Capital Facilities Account to the PTIF Meter Fund Account. Mr. Ohlin made a motion to change the PTIF Capital Facilities Account to the PTIF Meter Fund Account. Mr. Newman seconded the motion. The motion carried unanimously.

D. Consideration of 2020 CAT 938M Sale and 2022 CAT 938M Purchase. Mr. Banks provided the Board with a memo outlining the purchase and sale prices of the CAT 938M since 2017. Mr. Banks said the District has been selling the CAT 938M back to the dealer for a profit each year.

Mr. Newman made a motion to approve the 2022 CAT 938M purchase and the 2020 CAT 938M sale. Mr. Ohlin seconded the motion. The motion carried unanimously.

E. Consideration of 2022 Holidays. Mr. Banks said most entities in the area have not yet adopted Juneteenth as a paid holiday although it is now a federal holiday. Mr. Banks said the State of Utah recognizes the holiday but does not provide it as a paid holiday to state employees.

Mr. Newman made a motion to approve the 2022 holidays without Juneteenth. Mr. Ohlin seconded the motion. The motion carried unanimously.

F. Consideration of 2022 Conferences. Mr. Ohlin made a motion to approve the 2022 conferences. Mr. Newman seconded the motion. The motion carried unanimously.

G. Consideration of 2022 Board Meetings and Public Hearings. Mr. Banks said there are two months with potential conflicts due to conferences (August and November), but all other Board meetings are scheduled for the second Wednesday of the month.

Mr. Newman made a motion to approve the 2022 Board Meetings and Public Hearings. Mr. Ohlin seconded the motion. The motion carried unanimously.

H. Election of Vice Chair. Chair Zito asked Mr. Newman if he would like to serve as Vice Chair for the next three years. Mr. Newman said he would like to serve for two years and then resign the position and allow Jon Ritchie to serve as Vice Chair. Mr. Ohlin said he would like to have Mr. Newman serve as Vice Chair for now due to his knowledge of District Board procedures.

Mr. Ohlin made a motion to elect Gary Newman as the Vice Chair of the Board of Trustees beginning January 1, 2022. Chair Zito seconded the motion. The motion carried unanimously.

I. Consideration of Resolution 2021-09 Authorizing Signers on the District's Financial Accounts. Mr. Banks said the Vice Chair is not a signer while they serve so they can fulfill the role of internal auditor.

Mr. Ohlin made a motion to approve Resolution 2021-09 Authorizing Signers on Roy Water Conservancy District financial accounts, the signers being Rodney Banks, Manager, Mark Ohlin, Trustee, Darl Field, Trustee, and Chad Zito, Trustee. Mr. Newman seconded the motion. The motion carried unanimously.

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

V. REPORTS FROM MANAGER AND TRUSTEES.

A. Manager & Trustees Reports. Mr. Banks said the new trucks were due to be built the following week, so he would begin the process of selling the current District trucks.

Mr. Banks said the Board of Water Resources is the designated gatekeeper for ARPA funds for secondary water meters. Mr. Banks said the Board of Water Resources had discussed the application process to apply for funds and would have an application available by January 27, 2022. Mr. Banks said an entity with 7,000 or more connections will be able to apply for up to \$10 million in grant money. Mr. Banks said they will require 25% participation by the entity, and the funds have to be expended by December 31, 2026. Mr. Banks said it will be difficult to use the funds in that limited time period, as well as being difficult to actually install that many meters so quickly. Mr. Banks said meter companies might not be able to keep up with demand. Mr. Banks said the District can bond for the required 25% or use loan money from the State of Utah. Mr. Banks said Governor Cox has proposed \$200 million for secondary water meters.

Mr. Banks said East Canyon was 49% full and Echo was 23% full, with the snow-water equivalent at 28%.

B. Review of Monthly Bank Statements and Cancelled Checks. Mr. Ohlin said the audit committee, consisting of himself, Mr. Banks, and Ms. Toupin, met December 7, 2021, 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. Ohlin seconded the motion. The motion carried unanimously.

VII. APPROVAL OF CHECKS.

A. Current Checks. Mr. Ohlin made a motion to approve the checks for December 8, 2021. Mr. Newman seconded the motion. The motion carried unanimously.

VIII. ADJOURNMENT. Mr. Field made a motion to adjourn at 5:37 p.m. Mr. Ohlin seconded the motion. The motion carried unanimously.

Minutes Approved

Mark W. Ohlin, Chair

Recording Secretary