

# *Roy Water Conservancy District*

## **Minutes of Board Meeting**

October 11, 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, October 11, 2023, at 5:00 p.m.

**Present:** Mark Ohlin, Chair; Jon S. Ritchie, Vice-Chair; Gary L. Newman, Chad Zito, and Gary S. Adams, 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 September 13, 2023, Board meeting 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. Discussion of 2024 Draft Budget.** Mr. Banks said the revenues are projected to increase by more than 10% due to the rate increase related to the secondary water metering project. Mr. Banks said interest rates have improved, so interest income is projected to increase. Mr. Banks said he anticipates a slight increase from Weber Basin for the West Haven secondary water system operation.

Mr. Banks said most expenses will stay the same. Mr. Banks said the engineering budget will increase due to a need to stay on top of the District's GIS by working with Wasatch Civil's GIS team. Mr. Banks said the other expected increase will be in wages and benefits. Mr. Banks said the proposed increase will address the need to hire another field employee due to the metering project, as well as a finance clerk. Mr. Banks said it has become necessary to have a finance clerk with a bachelor's degree in accounting on-staff, as recommended by the State Auditor. Mr. Banks said computer costs are increasing due to the need for stronger cybersecurity measures.

Mr. Banks said capital projects have not been finalized due to Roy City not being sure of where they will be doing asphalt overlay projects in the next year. Mr. Banks said there is \$1.5 million budgeted for 5600 South improvements, which will cover the cost of raising the secondary water mainline in 2700 West at 5600 South, as well as any expenses required by UDOT. Mr. Banks said a new truck is in the budget under new assets for the anticipated new field employee. Mr. Banks said there is also money budgeted to replace the GPS unit that has been used for about 12 years. Mr. Banks said the recent power outage caused by a raccoon exposed the reality that the electrical components in the motor control center in the pumphouse are old and will need to be updated as soon as possible. Mr. Banks said the electrician and electrical engineer who looked at it said most of the electrical components have an average lifespan of 25 years and highly recommended replacing them as they are 47 years old and could fail at any time. Mr. Banks said material supply is affecting the electrical component world, so it could take 14-16 months to receive parts ordered now. Mr. Banks said the total cost of replacement is estimated to be \$250,000, which can be broken up into two years, meaning the components can be ordered

and purchased the first year, and the installation costs will take place in the second year when parts have been received. Mr. Banks said the first half of the project is in the 2024 budget and the remaining will be in the 2025 budget.

**C. Consideration of Progress Payment for Secondary Water Metering Project Phase 4.** Mr. Adams made a motion to approve a progress payment for the Secondary Water Metering Project Phase 4 in the amount of \$234,854.25 to Leon Poulsen Construction. Mr. Ritchie seconded the motion. The motion carried unanimously.

**D. Consideration of Progress Payment for Secondary Water Metering Project Phase 5.** Mr. Adams made a motion to approve a progress payment for the Secondary Water Metering Project Phase 5 in the amount of \$103,759.00 to Post Construction. Mr. Newman seconded the motion. The motion carried unanimously.

**E. Consideration of District Representative to Vote at Utah Association of Special Districts Annual Convention.** Mr. Banks said there is a business meeting at the UASD annual convention that requires a vote of the membership.

Mr. Ritchie made a motion to appoint the Chair of the Board of Trustees as representative to vote for the District at the Utah Association of Special Districts Annual Convention and the Vice-Chair and General Manager as alternates. Mr. Newman seconded the motion. The motion carried unanimously.

## **V. REPORTS FROM MANAGER AND TRUSTEES.**

**A. Utah Water Summit · September 26, 2023.** Mr. Banks said there were thought-provoking presentations this year. Chair Ohlin agreed that there were good presentations and a focus on bringing the level of the Great Salt Lake back up.

**B. Water Smart Innovations Conference · October 4-6, 2023.** Mr. Banks said this conference is focused on water conservation and hosted by AWWA. Mr. Banks said it was another really good conference with a lot of representation from Utah.

**C. Manager & Trustees Reports.** Mr. Banks said there were some minor changes to the Verizon Wireless agreement. Mr. Banks said he is waiting for them to sign the agreement and send it back to the District.

Mr. Banks said the District signed a contract in August 2022 with the Division of Water Resources to receive a \$75,000 grant for Transparent Water Billing. Mr. Banks said a company called Aquamedian would create a customer portal to satisfy the requirements of the grant. Mr. Banks said Aquamedian has received \$63,750 of grant money so far and was supposed to launch the customer portal with information supplied by the District in April 2023. Mr. Banks said he was notified about a month ago that Aquamedian has shut down. Mr. Banks said the CEO of Aquamedian went out to the marketplace to look at comparable companies that would work with State requirements. Mr. Banks said a company called AquaTrax was recommended, and he attended a presentation by AquaTrax along with the other entities who also received grant money. Mr. Banks said they have really impressive software and they have generally agreed to take the remaining grant money and on-board the District with their customer portal software. Mr. Banks said they have a per-meter charge, which could potentially cost the District between \$36,000 and \$66,000 per year for on-going use. Mr. Banks said the AquaTrax software has everything the District needs but is geared more toward culinary water systems, meaning there are a lot of features the District would not use. Mr. Banks reached out to Weber Basin, who has their own customer portal run by their software programmers and IT staff. Mr. Banks said Bountiful Irrigation is now using a customer portal created by Weber Basin. Mr. Banks said he was able to see the portal for Weber Basin and Bountiful Irrigation, which would be very similar to what the District would use and much more simple than that provided by AquaTrax. Mr. Banks said because Weber Basin is a public entity and only looking to cover

actual costs, they offered an initial set-up price of \$3,000, with a \$2,000 base annual fee plus approximately \$1,200 per year for data storage. Mr. Banks said the price of \$3,200 per year will increase over time if Weber Basin's costs go up, such as for data storage, but they are only passing along actual costs. Mr. Banks said he met with the State about using Weber Basin's portal, and the State wants to make sure the software fulfills the requirements of the Transparent Water Billing grant. Mr. Banks recommended using the Weber Basin portal, and the Board agreed it would be much more cost-efficient.

Mr. Banks said the District has spent approximately \$5 million of the secondary water metering grant money so far. Mr. Banks said there were 1,632 meters installed through the end of September. Mr. Banks said Sensus, who makes the meters and radios, has committed to getting the remaining 4,130 meters to the District by the end of the year. Mr. Banks said there is still a large backorder of radios, and the District has only received 774 of the 2,000 radios ordered.

Mr. Banks said the District was authorized on October 5, 2023, to receive an additional \$5,046,500 in grant money. Mr. Banks said the District will have to bond for \$1,839,000 and contribute an additional \$324,500.

Mr. Banks said the 5600 South project seems to be going fairly well, and the project management has been good so far.

Mr. Banks said there is a property owner who wants to build a car wash one lot west of the southwest corner of Hinckley Drive and Midland Drive on 3600 South. Mr. Banks said the property is not in District boundaries, but the District has a mainline on 3600 South for the properties on the north side of the road. Mr. Banks said the property is in Weber Basin's boundaries, but they do not have a mainline in 3600 South east of 2700 West and said they will not be able to serve the property. Mr. Banks said the District could serve the property, but the property owner would have to pay for and go through the annexation process, bring a water share to the District, and pay construction costs of connecting to the mainline.

Mr. Banks said as of October 10<sup>th</sup>, East Canyon was 79% full, Echo was 70% full, and the Weber River Basin water year-to-date precipitation is 201% of median. Mr. Banks said about 26% of the state is currently in abnormally dry to moderate drought conditions.

**D. Review of Monthly Bank Statements and Cancelled Checks.** Mr. Ritchie said the audit committee, consisting of himself, Mr. Banks, and Ms. Toupin, met October 10, 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. Adams made a motion to approve the monthly financial report. Mr. Ritchie seconded the motion. The motion carried unanimously.

**B. 3<sup>rd</sup> Quarter Financial Report.** Mr. Newman made a motion to approve the 3<sup>rd</sup> quarter financial report. Mr. Ritchie seconded the motion. The motion carried unanimously.

## **VII. APPROVAL OF CHECKS.**

**A. Current Checks.** Mr. Ritchie made a motion to approve the checks for October 11, 2023. Mr. Newman seconded the motion. The motion carried unanimously.

**VIII. ADJOURNMENT.** Mr. Ritchie made a motion to adjourn at 6:18 p.m. Mr. Adams seconded the motion. The motion carried unanimously.

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Minutes Approved

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Mark Ohlin, Chair

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Recording Secretary