

Roy Water Conservancy District

5440 South Freeway Park Drive
Riverdale, UT 84405

AGENDA

Monthly Board of Trustees' Meeting
March 9, 2022
5:00 P.M.

- 5:00 p.m.
- | | |
|--|-------------|
| I. CALL TO ORDER | Chair Ohlin |
| II. PLEDGE OF ALLEGIANCE | Jon Ritchie |
| III. APPROVAL OF MINUTES | MOTION |
| IV. BUSINESS | |
| A. Consideration of Leasing Davis and Weber Counties Canal Company Shares to Weber Basin Water Conservancy District | MOTION |
| B. Consideration of Leasing Wilson Irrigation Company Shares to Weber Basin Water Conservancy District or Other Interested Parties | MOTION |
| C. Consideration of Salt Point Commercial Development Agreement | MOTION |
| D. Discussion of Secondary Water Metering | Discussion |
| E. Public Comments | |
| V. REPORTS FROM MANAGER AND TRUSTEES | |
| A. Wilson Irrigation Company Stockholders Meeting February 15, 2022 | |
| B. Rural Water Annual Conference February 28 – March 4, 2022 | |
| C. Manager & Trustees Reports | |
| D. Review of Monthly Bank Statements and Cancelled Checks | Gary Newman |
| VI. APPROVAL OF FINANCIAL REPORTS | |
| A. Monthly Financial Report | MOTION |
| VII. APPROVAL OF CHECKS | |
| A. Current Checks | MOTION |
| VIII. ADJOURNMENT | MOTION |

In compliance with the Americans with Disabilities Act, persons needing auxiliary communicative aids and services for this meeting should call the District at (801) 825-9744, giving at least three (3) working days notice.

MEMORANDUM

TO: Board of Trustees

FROM: Rodney Banks, Manager

DATE: March 4, 2022

SUBJECT: **IV.A. Consideration of Leasing Davis and Weber Counties Canal Company Shares to Weber Basin Water Conservancy District**

Since 2014, the District has been leasing some of its Davis and Weber Counties Canal Company (Davis and Weber) shares to Weber Basin Water Conservancy District (Weber Basin). I would like to continue this leasing arrangement between the District and Weber Basin as long as there is enough water to do so. If the water situation is like 2021, I will not lease any shares. The number of shares leased has been dependent upon Weber Basin's need and Davis and Weber's acre-foot per share declaration. In 2021 the District did not lease any shares, in 2020 the District leased 220 shares, in 2019 the District leased 220 shares, in 2018 the District leased 220 shares, in 2017 the District leased 50 shares, in 2016 the District leased 305 shares, in 2015 the District leased 115 shares, and in 2014 the District leased 200 shares.

A suggested motion would be, "I move that we lease the District's Davis and Weber Counties Canal Company shares to Weber Basin Water Conservancy District in an amount to be determined by the General Manager based on Davis and Weber Counties Canal Company's per share declaration."

MEMORANDUM

TO: Board of Trustees

FROM: Rodney Banks, Manager

DATE: March 4, 2022

SUBJECT: **IV.B. Consideration of Leasing Wilson Irrigation Company Shares to Weber Basin Water Conservancy District or Other Interested Parties**

The District owns twenty-one (21) Wilson Irrigation Company (WIC) shares and I would like to lease those shares to Weber Basin Water Conservancy District (Weber Basin) if they are willing to lease them or any other interested parties. This would be similar to the arrangement for the lease of the District's Davis and Weber Counties Canal Company shares to Weber Basin. If Weber Basin is unwilling to lease the shares, I would like to lease the shares to any other interested parties through a lease agreement.

A suggested motion would be, "I move that we either lease the District's Wilson Irrigation Company shares to Weber Basin Water Conservancy District or other interested parties."

MEMORANDUM

TO: Board of Trustees

FROM: Rodney Banks, Manager

DATE: March 7, 2022

SUBJECT: **IV.C. Consideration of Salt Point Commercial Development Agreement**

Salt Point Commercial is located at approximately 2950 West 4000 South in West Haven which is the northeast corner of the intersection of 4000 South and 2975 West. It is located in the Salt Point development. The existing parcel has not had an existing water allotment. The developer will be required to bring either one half ($\frac{1}{2}$) share of D&WCCC stock, an appropriate amount of Wilson Irrigation or an appropriate amount of Hooper Irrigation shares in order to supply the secondary water needs of the development's landscaping. Because there are two buildings, the District will most likely require that two meters be installed in the event one building is sold in the future and the parcel is divided into two. Otherwise, this is a standard development agreement.

A *suggested* motion would be, "I move that we approve the Salt Point Commercial Development Agreement."

MEMORANDUM

TO: Board of Trustees

FROM: Rodney Banks, Manager

DATE: March 4, 2022

SUBJECT: **IV.D. Discussion of Secondary Water Metering**

HB 242 passed the Utah House and Senate, and it is anticipated that it will be signed into law by Governor Cox. This bill will require that the District meter all its secondary water connections by December 31, 2029. The bill has an allocation of \$250 million which are America Rescue Plan Act (ARPA) funds. For a District that has more than 7,000 connections, we are eligible for as much as \$10 million in grants. The grants are based on a 70/30 match for the 2022 and 2023 calendar years, 65/35 for 2024, 60/40 for 2025, and 50/50 for 2026 which is when the ARPA funds must be spent. Beginning in 2027 the grant will be for the purchase of meters only and is a 40/60 match, 30/70 for 2028, 20/80 for 2029, and 10/90 for 2030. The Board of Water Resources will make loans available for 85% of the portion of the match the District will be required to come up with. The interest rate for the loans is 1% for a term of fifteen years.

It is anticipated the grant application period will be for forty-five (45) days beginning around April 15, 2022. In order to maximize the funds available, the trustees will need to discuss how to proceed forward and the possible issues the District will face in installing meters over a shorter time frame than was ever thought possible.

A motion is not necessary where this is a discussion item.

MEMORANDUM

TO: Board of Trustees

FROM: Rodney Banks, Manager

DATE: March 9, 2022

SUBJECT: **V.C. Manager and Trustees Reports**

The following is a reminder of upcoming meetings and events:

Board Meeting – March 9, 2022, at 5:00 p.m.
Utah Water Law and Workshop – March 21-23, 2022, St. George, UT
Operations Review – possibly April 13, 2022 at 4:00 p.m.
Board Meeting – April 13, 2022, at 5:00 p.m.
Board Meeting – May 11, 2022, at 5:00 p.m.
Public Hearing for Allotment of Water – May 11, 2022, at 6:00 p.m.
Public Hearing Rate Increase – May 11, 2022, at 6:00 p.m.
Board Meeting – June 8, 2022, at 5:00 p.m.
Board Meeting – July 13, 2022, at 5:00 p.m.
Board Meeting – August 17, 2022, at 5:00 p.m.
Board Meeting – September 14, 2022, at 5:00 p.m.
Board Meeting – October 12, 2022, at 5:00 p.m.
Utah Water Summit – October 18, 2022, Layton, UT
UASD Annual – November 2-4, 2022, Layton, UT
Board Meeting – November 16, 2022, at 5:00 p.m.
Board Meeting – December 14, 2022, at 5:00 p.m.
Public Hearing for Allotment of Water – December 14, 2022, at 6:00 p.m.
Public Hearing for 2022 Budget – December 14, 2022, at 6:00 p.m.
D&WCCC Stockholders Meeting – Possibly December 19, 2022, at 6:30 p.m.

As of March 8th, East Canyon is 58% full, Echo Reservoir is 37% full, and the Weber River basin snow water equivalent is 77% of normal. Currently almost 97% of the state of Utah is in severe to exceptional drought condition. As of January 4, 2022, the District's boundaries were moved to the severe drought category.

In the 2021 water season, we began the water year thinking we would have a normal year despite starting the season in the “D3 Extreme Drought” category. Unfortunately, the expected run-off was absorbed into the ground instead of filling reservoirs, and the outlook quickly became grim. By July, our District and most others in the state had to place additional restrictions on secondary water use in order to make the water last until mid-September. By August, we were moved to the “D4 Exceptional Drought” category and remained there until mid-October.

As of March 1, 2022, we had approximately 60% less water than in a normal water year. While it is anticipated that run-off will be better this year and we have moved to the “D2 Severe Drought” category, it is probable the same restrictions from last year will need to be followed:

- Wait to begin watering until your landscape requires it, usually around mid-May.
- From mid-May to mid-June, water no more than 1 day per week for ALL landscape such as lawn, gardens, trees, etc., depending on weather.
- From mid-June to early September, water no more than 2 days per week for ALL landscape such as lawn, gardens, trees, etc., depending on weather. If the water season extends past mid-September, reduce watering to 1 day per week until water is turned off for the year.
- One watering is equal to 20 minutes per station for fixed sprinkler heads and drip systems, and 40 minutes per station for rotary sprinkler heads.
- The installation of sod, seed, or any landscape requiring additional water is strongly discouraged.

We will mail out a postcard with information regarding secondary water start-up sometime in April. We will also update our website (www.roywater.com) and Facebook page (www.facebook.com/RoyWCD) with water season information as it becomes available.

In the 2021 water season, we began the water year thinking we would have a normal year despite starting the season in the “D3 Extreme Drought” category. Unfortunately, the expected run-off was absorbed into the ground instead of filling reservoirs, and the outlook quickly became grim. By July, our District and most others in the state had to place additional restrictions on secondary water use in order to make the water last until mid-September. By August, we were moved to the “D4 Exceptional Drought” category and remained there until mid-October.

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INTERNAL AUDIT REPORT

MARCH 07, 2022

(FEBRUARY 28, 2022 STATEMENTS)

- | YES | NO | |
|-------------------------------------|--------------------------|--|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | 1. Obtain bank statements unopened. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | 2. Review checks for unusual payees. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | 3. Review signatures on checks for authenticity. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | 4. Review any cash transfers or large debit memos for property. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | 5. Question any large or unusual checks that you do not remember discussing or approving. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | 6. Summarize your questions. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | 7. Distribute the report to board members, Child Richards CPAs & Advisors, Rodney Banks, and Linda Toupin. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | 8. Obtain replies to questions from Rodney Banks and distribute with the report. |

COMMENTS: Original min. haven't arrived as of Mar. 7.

Bank of Utah

1. ✓ O & M Account No. [REDACTED] 0122: _____
2. ✓ C.F. Account No. [REDACTED] 1928: _____
3. ✓ Weber Basin Account No. [REDACTED] 0846: _____

PTIF

4. ✓ O & M Account No. 1141: _____
5. ✓ Meter Account No. 2340: _____

I have completed the above procedures for the month of March 2022 (February 28, 2022 Statements).

Signature Redacted

Gary L. Newmar, Vice-Chair

**ZION BANK PURCHASE CARDS
INTERNAL AUDIT REPORT**

MARCH 7, 2022,

(FEBRUARY 28, 2022 STATEMENTS)

- | YES | NO | |
|-------------------------------------|--------------------------|--|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | 1. Obtain ^{Purchase Cards} credit card statements. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | 2. Review statements for unusual charges. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | 3. Review receipts for charges. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | 4. Question any large or unusual charges not previously discussed or approved during board meeting. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | 5. Summarize your questions. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | 6. Distribute the report to board members, Child Richards CPAs & Advisors, Rodney Banks, and Linda Toupin. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | 7. Obtain replies to questions from Rodney Banks and distribute with the report. |

COMMENTS: _____

1. Zions Bank Control Account: _____
2. Mark Ohlin Credit Card: _____
3. Darl Field Credit Card: _____
4. Gary Newman Credit Card: _____
5. Jon S. Ritchie Credit Card: _____
6. Chad Zito Credit Card: _____
- ✓ 7. Rodney Banks Credit Card: _____
- ✓ 8. Phil Durbano Credit Card: _____
- ✓ 9. Kent Thurgood Credit Card: _____
- ✓ 10. Nathan Doxey Credit Card: _____
- ✓ 11. Justin Sandberg Credit Card: _____
- ✓ 12. Linda Toupin Credit Card: Card turned in to office.
13. Courtney Harris Credit Card: _____

I have completed the above procedures for the month of March 7, 2022 (February 28, 2022 Statements).

Signature Redacted

Gary L. Newman, Vice-Chair

FINANCIAL REPORT

• MARCH 2022 •

GENERAL FUND

PREVIOUS MONTH

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Balance as of February 1	\$ 511,298.14	\$ 265,743.90	\$ 217,503.28
Deposits	\$ 5,521.72	\$ 12,103.29	\$ 27,197.12
Interest on checking	\$ 108.48	\$ 83.78	\$ 253.56
Withdrawals	\$ 212,369.75	\$ 87,841.17	\$ 159,719.73
Balance	\$ 304,558.59	\$ 190,089.80	\$ 85,234.23

TO DATE

Balance as of March 1	\$ 304,558.59	\$ 190,089.80	\$ 85,234.23
Deposits	\$ 1,513.29	\$ 303,307.59	\$ 125,461.66
Withdrawals	\$ 52,772.58	\$ 321,646.21	\$ 108,014.87
Balance	\$ 253,299.30	\$ 171,751.18	\$ 102,681.02

CAPITAL FACILITIES FUND

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Balance as of February 1	\$ 123,192.42	\$ 260,329.42	\$ 257,446.94
Deposits	\$ -	\$ -	\$ -
Interest on checking	\$ 35.37	\$ 93.43	\$ 440.13
Withdrawals	\$ -	\$ -	\$ -
Balance	\$ 123,227.79	\$ 260,422.85	\$ 257,887.07

TO DATE

Balance as of March 1	\$ 123,227.79	\$ 260,422.85	\$ 257,887.07
Deposits	\$ -	\$ -	\$ -
Withdrawals	\$ -	\$ 4,817.19	\$ -
Balance	\$ 123,227.79	\$ 255,605.66	\$ 257,887.07

WEBER BASIN FUND

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Balance as of March 1	\$ 606,582.67	\$ 493,688.36	\$ 393,970.95

CONNECTIONS

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Connections made during the previous month (February)	2	1	1
Total connections made during the current year	2	1	6
Total active connections	10,798	10,771	10,662

SHARES

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Shares of D&WCCC Water Stock to date:	1,512.5	1,512.5	1,512.5
Shares of D&WCCC Water Stock leased to date:	144.0	144.0	144.0
Shares of Wilson Irrigation Water Stock to date:	21.0	20.5	20.5

UTAH PUBLIC TREASURER'S INVESTMENT FUND

· OPERATIONS & MAINTENANCE ACCOUNT ·

		<u>RATE</u>	<u>DATE</u>
Balance as of February 1	\$ 4,649,688.46	0.4742%	Ongoing-Flexible
Deposits (by Weber County)	\$ 211,137.93		
Interest	\$ 1,694.88		
Withdrawals (by wire)	\$ -		
Balance	\$ 4,862,521.27		

· METER FUND ACCOUNT ·

Balance	\$ 157,026.07	0.4742%	Ongoing-Flexible
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1:48 PM
03/09/22

ROY WATER CONSERVANCY DISTRICT
O&M Checks
March 9, 2022

	Num	Name	Amount
Mar 9, 22	19523	Chad Zito	-\$275.02
	19524	Gary L. Newman	-\$275.02
	19525	Jon S. Ritchie	-\$200.02
	19526	Mark W. Ohlin	-\$330.43
	19527	Ace Recycling & Disposal	-\$129.86
	19528	Blue Stakes of Utah	-\$430.20
	19529	Bolt & Nut Supply Co.	-\$52.42
	19530	C.A.L. Ranch Store	-\$112.81
	19531	Clear Link IT, LLC	-\$2,960.25
	19532	Comcast	-\$569.48
	19533	Dominion Energy	-\$600.15
	19534	Fuel Network	-\$864.22
	19535	Herrick Industrial Supply Company	-\$53.67
	19536	Home Depot	-\$178.28
	19537	Intermountain Concrete Specialties	-\$304.11
	19538	J. D. Young & Son Landscape	-\$2,053.00
	19539	Jan-Pro of Utah	-\$215.00
	19540	Les Olson Company	-\$85.97
	19541	Linde Gas & Equipment, Inc.	-\$40.18
	19542	Monsen Engineering, Inc.	-\$5,349.50
	19543	O'Reilly Automotive	-\$232.91
	19544	PEHP Group Insurance	-\$11,795.40
	19545	Pro-Cut Concrete Cutting, Inc.	-\$465.00
	19546	Riverdale City Corporation	-\$141.39
	19547	Rocky Mountain Power	-\$29.82
	19548	Rocky Mountain Power	-\$10.06
	19549	South Fork Hardware - Roy	-\$11.46
	19550	Truly Nolen of America, Inc.	-\$176.00
	19551	Verizon Wireless (V)	-\$407.18
	19552	Wasatch Civil Engineering	-\$12,522.50
	19553	Weber Paint Glass & Flooring	-\$68.58
	19554	Zions Bank	-\$2,169.64
	19555	Utah State Tax Commission	-\$2,157.00
	19556	Rodney D. Banks	-\$791.51
	19557	AFLAC	-\$131.80
	19558	Darrell Oleson or Kyle and Lenzy Oleson	-\$5,512.50
	19559	Courtney L. Harris	-\$575.12
	19560	Utah Local Governments Trust	-\$495.12
Mar 9, 22		TOTAL	-\$52,772.58