

Roy Water Conservancy District

Minutes of Board Meeting

September 13, 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, September 13, 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; Rob Sant, Urban & Main Consulting; Brody Flint, Roy City; 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 Chair Ohlin.

III. APPROVAL OF MINUTES. Mr. Ritchie made a motion to accept and approve the minutes of August 9, 2023, Board meeting as written. Mr. Adams 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 Resolution 2023-04 Adopting the 1900 Southeast CRA Interlocal Agreement. Mr. Banks said the Roy City Redevelopment Agency approached the District about participating in a Community Reinvestment Area (CRA) for an area of 1900 West in Roy. Mr. Banks said they are requesting the District contribute a portion of the District's ad valorem tax received from that area.

Mr. Sant gave a brief history of redevelopment code and the types of project areas. Mr. Sant explained that property taxes for a CRA are "frozen" in the creation year of the project, so there will be no tax increase. Mr. Sant said the project area is approximately 68 acres and includes an area on 1900 West between Riverdale Road and I-15. Mr. Sant said the Roy Innovation Center is seeing a need for more residential and office space nearby, which the CRA is hoping to offer. Mr. Sant said they are requesting 70% participation for 20 years from entities in the CRA tax area. Mr. Flint explained that the 70% only applies to increased value in property, and if the project is not a success, there will be no loss to participating entities. Mr. Sant said the District currently receives \$2,165 in ad valorem tax for the proposed area and will receive an average of \$2,448 each year, which is 30% of the tax increment financing for 20 years.

Mr. Ritchie summarized that the District will not lose anything by participating in this project as the District will still receive ad valorem tax but has the potential to see an increase as taxable value increases.

Mr. Banks said there is a line in the agreement that says, "...with the understanding that the portion of Tax Increment paid by the Roy Water District shall be equal to the portion of Tax Increment paid by the other affected taxing agencies within the Project Area." Mr. Banks recommended striking the line from the agreement.

Mr. Ritchie made a motion to approve Resolution 2023-04 Adopting the 1900 Southeast CRA Interlocal Agreement with no more than a 70% Tax Increment for Roy Water Conservancy District, and to strike the following from Section 6 of the agreement: "...with the understanding that the portion of Tax Increment paid by the Roy Water District shall be equal to the portion of Tax Increment paid by the other affected taxing agencies within the Project Area." Mr. Zito seconded the motion. The motion carried unanimously.

Mr. Zito asked if it is possible to get secondary water to new development in the project area. Mr. Banks said it would be very difficult and would be up to the developer of the project if they desired secondary water. Mr. Banks said they would have to bring water and build the infrastructure.

Mr. Sant and Mr. Flint were excused at 5:40 p.m.

C. Consideration of Progress Payment for Secondary Water Metering Project Phase 4. Mr. Banks said this phase is being completed by Leon Poulsen Construction. Mr. Banks said they are working with a subcontractor and have therefore been able to install more meters.

Mr. Zito made a motion to approve a progress payment for the Secondary Water Metering Project Phase 4 in the amount of \$237,291.00 to Leon Poulsen Construction. Mr. Newman seconded the motion. The motion carried unanimously.

D. Consideration of Progress Payment for Secondary Water Metering Project Phase 5. Mr. Banks said this phase is being completed by Post Construction.

Mr. Adams made a motion to approve a progress payment for the Secondary Water Metering Project Phase 5 in the amount of \$139,678.50 to Post Construction. Mr. Zito seconded the motion. The motion carried unanimously.

E. Consideration and Award of Secondary Water Metering Project Materials for Board of Water Resources Grant. Mr. Banks said an RFP for materials was put together in anticipation of receiving a \$5 million grant from the Board of Water Resources. Mr. Banks said payment for materials will not be due until they are received.

Mr. Zito made a motion to approve the Secondary Water Metering Materials for Board of Water Resources Grant to Ferguson in the amount of \$1,573,638.48. Mr. Newman seconded the motion. The motion carried unanimously.

F. Consideration of Verizon Wireless Agreement. Mr. Banks said Verizon wanted to match the terms of the District's Airwaves Tower lease agreement, which goes through 2052, because Verizon equipment is on the Airwaves tower. Mr. Banks said Verizon has the option to renew their lease every five years until 2052 when a new lease can be negotiated. Mr. Banks said the Verizon lease agreement with the District is for access and fiber optics. Mr. Banks said if Attorney Rose makes any substantial changes to the agreement, Mr. Banks will bring it back to the Board. Mr. Banks said the current Verizon lease terminates October 31, 2023.

Mr. Ritchie made a motion to approve the Verizon Wireless Agreement contingent upon Attorney review. Mr. Adams seconded the motion. The motion carried unanimously.

V. REPORTS FROM MANAGER AND TRUSTEES.

A. Manager & Trustees Reports. Mr. Banks said Mr. Zito and Mr. Adams are up for reappointment, so they will need to take their application and resume to the Weber County Commission if interested.

Mr. Banks said the District has spent approximately \$4.5 million so far on the secondary water metering project, and 1,210 meters have been installed so far through the end of August. Mr. Banks said there are still issues with getting meters, so jumpers will be installed until meters are received.

Mr. Banks said it is anticipated that the Board of Water Resources will authorize a \$5 million grant to the District in their meeting on October 5, 2023.

Mr. Banks said he has been meeting with Sand Ridge Constructors regarding the District's transmission line under I-15. Mr. Banks said they were proposing continuing casing the transmission lines from where the casing ended in 2019 over to the District's easement on the east side of Freeway Park Drive, but they will only be able to take it to the middle of Freeway Park Drive due to a sewer line that cannot be moved. Mr. Banks said the transmission lines will eventually be cased all the way from the west side of I-15 to the middle of Freeway Park Drive. Mr. Banks said they will continue further than that with HDPE pipe by about 50' to the District's easement. Mr. Banks said this will not be constructed until October 2024. Mr. Banks said he has also been in discussions regarding existing secondary water services on the south side 5600 South where UDOT will be impacting properties.

Mr. Banks has been talking with the engineer about replacing the 18" shot coat mainlines at 5600 South and 2700 West where they are currently 16-18' deep due to the overpass construction in about 1997. Mr. Banks said it would be wise to replace a section of the pipe and bring it up to a more workable depth. Mr. Banks said there could be as much as 600' of pipe that would need to be replaced.

Mr. Banks said UDOT is in preliminary discussions to purchase a piece of property Boyer Company owns on Freeway Park Drive in front of District property. Mr. Banks said once all the work is complete on the 5600 South project, UDOT will not have use for the property. Mr. Banks said the District will have interest in purchasing the property if it is surplussed by UDOT as the District currently has an easement through the property.

Mr. Banks said there was a recent power outage that caused some problems with the pumps. Mr. Banks said he has been working with SKM to monitor the SCADA system and change a PLC card.

Mr. Banks said the last two trucks will be delivered very soon. Mr. Banks said the District made about \$24,000 on the sale of the trucks.

Mr. Banks said as of September 12th, East Canyon was 82% full, Echo was 71% full, and the Weber River Basin water year-to-date precipitation was 141% of median.

Mr. Banks said water will be turned off for the year on October 15th.

B. Review of Monthly Bank Statements and Cancelled Checks. Mr. Ritchie said the audit committee, consisting of himself, Mr. Banks, and Ms. Toupin, met September 12, 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. 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 September 13, 2023. Mr. Adams seconded the motion. The motion carried unanimously.

VIII. ADJOURNMENT. Mr. Newman made a motion to adjourn at 6:21 p.m. Mr. Zito seconded the motion. The motion carried unanimously.

Minutes Approved

Mark Ohlin, Chair

Recording Secretary