

**MINUTES OF THE WASATCH COUNTY COUNCIL
ACTING AS THE
GOVERNING BOARD OF THE NORTH VILLAGE SPECIAL SERVICE DISTRICT
AUGUST 13, 2024**

PRESENT: Board Chair Steve Farrell
Board Member Spencer Park
Board Member Erik Rowland
Board Member Luke Searle
Board Member Kendall Crittenden
Board Member Heidi Franco

EXCUSED: Board Member Yvonne Barney/joined halfway through meeting

STAFF: Max Covey, the General Manager
Theresa Baronek, District Manager
Dana Kohler, Administrative Assistant
Kierstan Smith, CPA
Doug Scow, Water Rights Manager
Wade Webster, Keetley Water Treatment Plant Manager
Shari Coleman, Accounting Clerk
Joy Manwiller, Accountant
Chance Morris, Distribution/Collections Manager
David Fuller, Assistant Manager

Board Chair Steve Farrell called the meeting to order at 4:35 p.m. on Tuesday, August 13, 2024. All the members of the Governing Board of the North Village Special Service District are present except for Board Member Yvonne Barney who is excused. Let the record show that Board Member Yvonne Barney attended the meeting halfway through the meeting. The record should also reflect that the Governing Board of the North Village Special Service District is meeting in the Wasatch County Council Chambers in the Wasatch County Administrative Building located at 25 North Main, Heber City, Utah 84032. Board Chair Steve Farrell then called the first agenda item.

REGULAR SESSION

APPROVAL OF THE MINUTES FOR JULY 9, 2024, MEETING

Board Member Erik Rowland made a motion to approve the minutes for July 9, 2024, as written. Board Member Heidi Franco seconded the motion, and the motion carries with the following vote:

AYE: Chair Steve Farrell
AYE: Erik Rowland
AYE: Kendall Crittenden
AYE: Spencer Park
AYE: Luke Searle
AYE: Heidi Franco

NAY: None.

WARRANT LIST APPROVAL

Board Member Erik Rowland made a motion to accept the warrant list in the amount of \$161,774.11. Board Member Heidi Franco seconded the motion, and the motion carries with the following vote:

AYE: Board Chair Steve Farrell
AYE: Board Member Erik Rowland
AYE: Board Member Spencer Park
AYE: Board Member Kendall Crittenden
AYE: Board Member Luke Searle
AYE: Heidi Franco

NAY: None.

Board Member Heidi Franco asked if they could get an update like a quarterly report on legal matters. Max Covey indicated that he would investigate and see if they can get a quarterly update on legal matters to present to the Governing Board.

QUARTERLY FINANCIALS/RESERVE ANALYSIS

Kierstan Smith, the CPA, addressed the Governing Board of the North Village Special Service District and indicated that we are seventy-seven percent of our budgeted amount and that our reservation fees are almost ninety-nine percent and are billed once a year at the first of the year. We expect all that revenue to come in the first of the year. Our liabilities and net position are at \$24,652, 979.26. Total Revenues is \$2, 285, 619.95. Meter set revenue at 231 percent. North Village is growing, and our projection was about sixty houses to connect and exceeding that quite a bit this year. Interest revenue is seventy-point seventy percent. We have had some money on hand for grant money that is earning us some interest. On the expense side and a lot of our expenses are up front. Capital outlays we have some work going on with UVU sewer lift station and expenses are going out there. Regarding cash flow, we are positive about our operating cash flow, which is always great. Positive things are happening. Joy Manwiller addressed the Governing Board of the North Village Special Service, and indicated we do reserve calculations annually. We needed \$47,000.00 to move into the reserve

account which is the PTIF account and keep is designated for operating. Then the other one is for capital repair and replacement. That reserve needed \$207,000.00 to be fully funded based on our calculations and we have the cash available to fund that reserve as well. Both our reserves after this year will be fully funded at this point and time.

Board Member Kendall Crittenden made a motion to approve the financial quarterly report. Board Member Erik Rowland seconded the motion, and the motion carries with the following vote:

**AYE: Board Chair Steve Farrell
AYE: Board Member Erik Rowland
AYE: Board Member Kendall Crittenden
AYE: Board Member Spencer Park
AYE: Board Member Luke Searle
AYE: Heidi Franco
NAY: None.**

WATER RESERVATION POLICY UPDATE. RESOLUTION #2024.01.

Max Covey, the General Manager, addressed the Governing board of the North Village Special Service District and indicated that the district proposed to amend the existing Water Reservation Policy to clarify certain provisions of the policy.

Specifically, this update to the Water Reservation Policy details the administration of any reserved water that is made available to entities on the existing stand-by list. It also clarified the conditions under which the district will approve the assignment of existing water reservation agreements within the service area of the district.

The district finds that it is in the best interests of the district, and the property owners served by the district, to amend the Water Reservation Policy as set forth in this Resolution to provide overall consistency and clarity.

Max Covey also indicated that in the resolution under (D) the district now desires to amend the Water Reservation policy to address a situation when, there is no District Water Supply available for reservation, and to clarify the process for transferring reserved water from one property owner to another. This update is going to address some language in here for the District Water Supply when it is available for reservation and will clarify the process when it is transferred from one property owner to another. The sections that are made in the Resolution is Section 8B. What that is that the existing policy that we have right now and some of the water reservation agreements that we have had in the past and some go back fifteen to twenty years. Some of those agreements have language in them that inhibits or restricts a landowner someone that owns a parcel of property from utilizing their reserve water on another one of their properties or a neighboring property or properties within in our service area. The amendment to this policy would then allow that developer or landowner to be able to use that reserved water on another

property that they own in the district or assign it to another landowner or developer within our service area. This is not creating more water but reserving water that we have. This will allow us to balance it with the owner that has excess water. This amends and clarifies that. This requires the expressed written consent of the district. We must approve any assignment of this or a partial assignment of this of their water dedication if they are dedicating it to someone else, we must consent and approve that to happen. We would not consent that be conveyed to a different landowner unless ours is fully reserved. We have a list of developers that are looking for water so that concern has decreased over the years.

In summary, this amendment to our policy is to allow that water reservation holder to be able to transfer that to another one of his properties or another developer's property with our written consent. It is defined as a service area. This will help balance our system so the water makes it to the place that it is needed. Just remember this is not creating some new water but just allowing it to balance throughout the system where we need it to go. These things will be done internally at staff level. We have required developers to escrow up to four years of security for the payment of these water reservation fees.

Board Member Steve Farrell replied that if someone transfers water to another developer do they get their escrow money back or transfers with the water. Max Covey indicated that it transfers with the water. Board Member Heidi Franco asked if the district could provide a report of the amount of reserved water for North Village SSD.

Board Member Heidi Franco made a motion that we adopt Resolution No. 2024-01 as presented on the agenda. Board Member Erik Rowland seconded the motion, and the motion carries with the following vote:

AYE: Board Chair Steve Farrell

AYE: Board Member Erik Rowland

AYE: Board Member Spencer Park

AYE: Board Member Kendall Crittenden

AYE: Board Member Luke Searle

AYE: Heidi Franco

NAY: None.

CULINARY/SECONDARY WATER IMPACT FEE ANALYSIS-SCHEDULE A PUBLIC HEARING.

Max Covey, the General Manager, addressed the Governing Board of the North Village Special District and indicated that Bowen Collins is working on the culinary and secondary impact fee analysis and are hoping to review that over the next two weeks and have a public hearing next month so we just need to set that public hearing time today to listen to the analysis and act upon the impact fee. The date of next month's board meeting is September 10, 2024.

Board Member Kendall Crittenden made a motion that we set the culinary/secondary

water impact fee analysis public hearing for September 10, 2024, at 6:00 p.m. Board Member Luke Searle seconded the motion, and the motion carries with the following vote:

**AYE: Board Chair Steve Farrell
AYE: Board Member Erik Rowland
AYE: Board Member Spencer Park
AYE: Board Member Kendall Crittenden
AYE: Board Member Luke Searle
AYE: Heidi Franco**

NAY: None.

GENERAL MANAGER'S REPORT

Max Covey, the General Manager, addressed the Governing Board of the North Village Special Service and indicated that we had a walk through today at the secondary pump station, so it is close to being operational. We are waiting for the secondary culinary tank to be completed which is scheduled to be completed mid-September. Once that is received, we can really put this pump station through its test and complete that and then look to have that infrastructure conveyed to us more than likely by the end of the year. Then it would be fully operational for the next irrigation season.

Max Covey indicated that we have a sewer pipe relay that is happening out on Highway 40 just north of town right off the shoulder of Highway 40. That should be done in the next couple of weeks.

OTHER BUSINESS

Max Covey, the General Manager, and the Governing Board of the North Village Special Service district both indicated that they had no other business.

ADJOURNMENT

Board member Luke Searle made a motion to adjourn. Board Member Erik Rowland seconded the motion, and the motion carries with the following vote:

**AYE: Board Chair Steve Farrell
AYE: Board Member Erik Rowland
AYE: Board Member Spencer Park
AYE: Board Member Kendall Crittenden
AYE: Board Member Luke Searle
AYE: Heidi Franco**

NAY: None.

The meeting adjourned at 5:05 p.m.

STEVE FARRELL/BOARD CHAIR