MINUTES OF THE FINANCE COMMITTEE MEETING
OF THE BOARD OF TRUSTEES OF
JORDAN VALLEY WATER CONSERVANCY DISTRICT

(Approved May 13, 2026)

March 23, 2026

A Finance Committee meeting of the Board of Trustees of the Jordan Valley Water Conservancy District was held in person and electronically on Monday, March 23, 2026, at 3:01 p.m. at Jordan Valley Water Conservancy District's administration building located at 8215 South 1300 West, West Jordan, Utah.

This meeting was conducted electronically in accordance with the Utah Open and Public Meetings Act (Utah Code §§ 52-4-101 et seq.) and Chapter 7.12 of the Administrative Policy and Procedures Manual ("Electronic Meetings").

Trustees Present:
Cindy Wood, Finance Committee Chair
Corey L. Rushton, Board Chair
Zach Jacob
Andy Pierucci (electronic)
John H. Taylor (electronic)
Barbara L. Townsend

Trustees Not Present:
Dawn R. Ramsey
John Richardson
Mick M. Sudbury

Staff Present:
Jacob Young, General Manager
Ben Stanley, General Counsel
David Martin, Chief Financial Officer
Shazelle Terry, Chief Operating Officer
Carl Wilkins, Director of Digital Services
Gordon Batt, Director of Water Quality & Operations
Kelly Good, Director of Community Engagement
Shane Swensen, Director of Engineering and Water Development
Clifton Smith, Digital Solutions Group Leader
Eric Stone, Controller
Kurt Ashworth, Human Resources Manager
Lisa Wright, Administrative Assistant III
Martin Feil, Database Administrator (electronic)
Mindy Keeling, Executive Assistant
Travis Christensen, Engineering Group Leader
Mike Brinton, (electronic)

Also Present:
Shawn Koorn, Associate Vice President, HDR Engineering
Jason Mumm, Senior Director, Brown & Caldwell
Brittany Sorenson, Brown & Caldwell (electronic)
Ricardo Campos, Brown & Caldwell (electronic)
David (electronic)

Introductory comments by Finance Committee Chair

Ms. Cindy Wood, Finance Committee Chair, called the Finance Committee meeting to order at 3:01 p.m. on Monday, March 23, 2026. Ms. Wood introduced the members of the Board and the public who attended the meeting both in person and electronically.

Review proposed miscellaneous fee changes

Mr. David Martin, Chief Financial Officer, presented proposed adjustments to several of JVWCD's miscellaneous fees, which are generally reviewed every three years to reflect actual labor and material costs. He clarified that impact fees are not changing, as they involve a separate process.

Mr. Rushton inquired about using AMI technology for temporary meters to reduce manual reading costs. Staff explained that current connectivity and the frequent movement of these meters make AMI implementation difficult and less conductive to the mobile nature of temporary connections.

Mr. John Taylor joined the meeting electronically at 3:08 p.m.

Review proposed capital projects expenditures budget

Mr. Shane Swensen presented the proposed fiscal year 2026/2027 Capital Projects budget and the 10-year Capital Projects Plan. He explained that the budget is derived from several sources, including the 2022 Supply, Demand, and Major Conveyance study, the 2022 Capital Asset Report, the 2021 Hazard Mitigation Plan, Facility Plans, and feedback from field operations staff. He shared assumptions used to develop water demand for the updated Capital Projects Plan, which includes population projections, conservation effort success, and climate variability impacts. He reviewed the annual demand projections and peak day demand projections which show the water supplies and facilities that are currently available to JVWCD and water supplies and facilities that are planned to come online in the future. Mr. Swensen showed that the total Capital Projects Plan over the 10-year period is approximately $673 million. He reviewed proposed capital projects for fiscal year 2026/2027 and stated the total net fiscal year 2026/2027 proposed Capital Projects budget is approximately $94.4 million.

Mr. Jacob Young then introduced the topic of aging infrastructure, stating that facilities and infrastructure built 75 years ago are reaching the end of their useful life. The renewal and replacement costs over a decade beginning in 2031 are projected to be approximately $465 million. Mr. Swensen clarified that the estimated costs are based on the age of facilities, not on condition. The costs average $40 million per year, which could significantly increase the cost of renewal and replacement in the 10-Year Capital Projects Plan.

Mr. Young discussed several preparatory strategies including refining renewal and replacement planning, and more robust condition assessments to determine whether 75-year-old pipes need replacement or can last several more decades. He also suggested the Board evaluate best practices to increase revenue for the additional costs and potentially reevaluate the policy of funding renewal and replacement through Pay-Go.

Mr. Martin stated that the results of an analysis show that water rates would need to be increased approximately 31% to fund this increase through the existing Pay-As-You-Go (Pay-Go) funding model for renewal and replacement capital projects.

Mr. Zach Jacob expressed a strong preference for smoothing these costs over time through smaller, incremental increases rather than a single large spike.

Mr. Rushton suggested that condition assessments on facilities and infrastructure may provide a more realistic view of failure rate. Mr. Swensen reiterated that the 2022 Capital Asset Report is based on years and agreed that more robust condition assessments can help identify longevity.

Review personnel expenditures budget

Mr. Kurt Ashworth, Human Resources Manager, presented the proposed personnel budget for FY 2026/2027. Mr. Ashworth reported that JVWCD currently has 166 positions. He said to project personnel costs for the FY 2026/2027 budget, data has been collected from various sources including salary surveys, health insurance, the Consumer Price Index and Employment Cost Index. He described the expenditures that are included in the personnel budget including salary, health insurance, state retirement contributions, Medicare, substitute Social Security Plan contributions, life insurance, long-term disability insurance, and sick leave conversion. Mr. Ashworth presented information from a salary adjustment survey of other Member Agency cities and local districts and stated that JVWCD falls close to median in comparisons. Mr. Ashworth stated there is an overall 5.6% increase in the proposed fiscal year 2026/2027 personnel budget due to salary and benefit increases, and the addition of four new positions. Also included in the budget are recruitment, retention, and equity incentives.

Review fiscal year 2026/2027 water rate study

Discussion of fiscal year 2026/2027 budget review and proposed water rate adjustment

Mr. Shawn Koorn, HDR Engineering, presented an overview of the water rate study process, which follows generally accepted methodologies. He said rate setting is a three-step process which includes: comparing the revenues of JVWCD to its expenses to evaluate the level of overall rates; proportionally distributing the revenue requirement between the various customer classes of service; and designing cost-based rates for each class of service to meet JVWCD's revenue needs, along with any other rate design goals and objectives adopted by the Board. Mr. Koorn reviewed each of these steps in the process. He summarized the draft revenue requirements for fiscal year 2026/2027, given the assumptions by JVWCD staff estimating 108,500 acre-feet of water deliveries and a 4.7% average water rate adjustment. He next reviewed the preliminary results from the cost of service analysis noting that pump charges are in addition to the calculated cost of service non-pumped rates. He said that water rates can now be updated using the current rate design structure and reviewed next steps for finalizing rate adjustments.

Upcoming Meetings

Ms. Wood reviewed upcoming meetings including the Regular Board meeting, Wednesday April 8, at 3:00 p.m.; the Annual Member Agency Meeting, Tuesday, April 14 at 10:00 a.m.; the Public Hearing, Wednesday May 13, at 6:00 p.m.; and the Regular Board meeting, Wednesday, June 10, at 3:00 p.m.

Adjourn

Ms. Wood called for a motion to adjourn. Ms. Barbara Townsend moved to adjourn the Finance Committee meeting. Following a second by Mr. Corey Rushton, the meeting adjourned at 4:57 p.m.

Corey Rushton Cindy Wood

Cindy Wood, Finance Committee Chair

Jacob C. Young

Jacob C. Young, District Clerk