MINUTES OF THE
HEBER VALLEY SPECIAL SERVICE DISTRICT
May 15, 2026 – 4:00PM

PRESENT:	Heidi Franco	Chair
	Craig Simons	Vice Chair
	Colleen Bonner	Board Member
	Don Huggard	Board Member
	Doug Clements	Board Member
	Mike Johnston	Board Member
	Yvonne Barney	Board Member (4:08 p.m.)
ALSO PRESENT:	James Goodley	General Manager
	Chris Morgan	Secretary
	Trent Davis	HVSSD
	Rusty Harris	HVSSD
	Dave Anderson	HVSSD Accountant
	Jon Haderlie	Larson & Company

Due to an unexpected equipment failure, the digital audio recording of this session failed. These written minutes serve as a draft of the comprehensive, official record of the proceedings, motions, and votes taken by the board. ***To prevent this from happening in the future we will be running a test meeting prior to the board meeting, ensuring the equipment is working properly.***

CONDUCTING: Board Chair, Heidi Franco

AGENDA ITEMS:

1. **Public Comment:** This is the public's opportunity to comment on items not on the agenda.
2. **Entity Updates:** From HVSSD Member Entities
3. **Committee Updates:** From HVSSD Committees
4. **Consent Agenda:**
    - a. March 2026 Budget Report (Amended)
    - b. March 2026 Financials (Amended)
        - i. Balance Sheet March 2026
        - ii. Check Register March 2026
        - iii. P&L March 2026
    - c. April 2026 Budget Report
    - d. April 2026 Financials
        - i. Balance Sheet April 2026
        - ii. Check Register April 2026
        - iii. P&L April 2026
    - e. PTIF General Fund April 2026
    - f. PTIF Impact Fee April 2026
    - g. PTIF Bond April 2026
    - h. April 2026 Warrant list approval
    - i. April 2026 Board Meeting Minutes-Regular Session (Pending)
    - j. Headworks Project- VanCon Pay App #11 and #12
    - k. Resolution 26-3 – Approval of Agricultural Equipment Sale
5. **2025 Audit Review** (Jon Haderlie- Larson- 30 mins)
6. **2025 Fraud Risk Assessment** (Jim Goodley -15 mins)
7. **2025 HVSSD MWPP Review** (Jim Goodley -15 mins)
8. **Board Policy Update –** Consideration for approval an amendment to the Board Policies on URS eligibility for Board Members- (Jim Goodley 10 mins)
9. **Lagoon Aeration Piping Repair Estimates –** Consideration for approval (Jim Goodley- 15 mins)
10. **Manager's Report** (Jim Goodley- 30 mins)
11. **Closed Session** (Optional)– a strategy session to discuss pending or reasonably imminent litigation pursuant to U.C.A. 52-4-205 and/or discuss personnel or property items.
12. **Adjourn Regular Meeting**

Heidi Franco called the meeting to order at 4:01 p.m.

1. Public Comment:

No public comment

2. Entity Updates:

No entity updates

3. Committee Updates:

Jim Goodley presented that there were no updates yet on the personnel policy, hoping for this summer

4:04 pm – Craig Simons and Doug Clements arrived
4:11 pm – Yvonne Barney arrived

4. Consent Agenda:

- **a.** March 2026 Budget Report (Amended)
- **b.** March 2026 Financials (Amended)
  - **i.** Balance Sheet March 2026
  - **ii.** Check Register March 2026
  - **iii.** P&L March 2026
- **c.** April 2026 Budget Report
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- **h.** April 2026 Warrant list approval
- **i.** April 2026 Board Meeting Minutes-Regular Session (Pending)
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- **k.** Resolution 26-3 – Approval of Agricultural Equipment Sale

Dave Anderson, the districts Accountant, presented the March amended budget report and financials as well as the April budget report and financials. A summary of where the district stands as of April 30, 2026:

- Year-to-date actual revenue is $1,555,983, which represents 28% of the full year budget, which is $8,648,641. The target benchmark for this time of year is 33.3% and the year-end revenue projection is $5,951,338.
- Year-to-date actual expenses are $4,151,092, which represents 92% of the full year budget of $4,497,000, outpacing the 33.3% benchmark.
- The budget is currently running a year-to-date deficit of ($2,595,109) and does not reflect the recently approved and completed $2,000,000 CIB Bond reimbursing the district for expenses paid out of district funds for Capital Improvements.
- Total expenses are projected to reach $6,155,824 leaving an estimated year-end deficit of ($203,886).

Additionally, Dave presented a new format for input from the board and will be working to update according to any board recommendations.

MOTION: A motion to approve all consent agenda items A-K as described was made by Craig Simons and seconded by Don Huggard. The motion carried with the following vote:

YES: Mike Johnston, Don Huggard, Colleen Bonner, Heidi Franco, Yvonne Barney, Craig Simons, Doug Clements
No: None
ABSTAIN: None
ABSENT: None

5. 2025 Audit Review

Jon Haderlie, Larson & Company, presented on the years ended December 31, 2025, and 2024. The opinion of the independent auditors in regard to the Financials Statements, is that the financial statements present fairly in all material respects. Regarding Compliance, Heber Valley Special Service District complied in all material respects and with no current or prior audit findings. Please see the full agenda packet for additional details.

MOTION: A motion to approve the 2025 Audit Review completed by Larson & Company was made by Colleen Bonner and seconded by Yvonne Barney. The motion carried with the following vote:

YES: Mike Johnston, Don Huggard, Colleen Bonner, Heidi Franco, Yvonne Barney, Craig Simons, Doug Clements
No: None
ABSTAIN: None
ABSENT: None

6. 2025 Fraud Risk Assessment

Jim Goodley presented the Fraud Risk Assessment completed on March 31, 2026. The District earned 395 points out of 395 points. The previous assessment failed on two counts which the District has improved. The improvements were in #3, which was hiring Dave Anderson, a licensed or certified expert, as part of the districts management team and as their accountant. And #7, promoting a fraud hotline. The district added a fraud hotline on the district's website.

MOTION: A motion to approve the 2025 Fraud Risk Assessment was made by Yvonne Barney and seconded by Don Huggard. The motion carried with the following vote:

YES: Mike Johnston, Don Huggard, Colleen Bonner, Heidi Franco, Yvonne Barney, Craig Simons, Doug Clements
No: None
ABSTAIN: None
ABSENT: None

7. 2025 HVSSD MWPP Review
Jim Goodley presented the Division of Water Quality 2025 Municipal Wastewater Planning Program (MWPP) review. This annual survey is an evaluation of the technical and financial needs of the district's wastewater system.

No motion was needed for this item as it was informational only.

8. Board Policy Update
Jim Goodley discussed the outcome from the recent URS audit. URS audits are conducted every 3-5 years and are determined by URS. It was suggested that the following language be added to the Board Policies as Board Member URS Ineligibility:

"Whereas, Board members are compensated for their time served on the Board and are considered employees of the District. District employees participate in the Utah Retirement System, URS, according to URS eligibility requirements. Board members are considered part time employees and are therefore ineligible to qualify for URS benefits under their Tier 2 Retirement System."

MOTION: A motion to adopt the Board Policies on URS' eligibility for Board Members was made by Colleen Bonner and seconded by Doug Clements. The motion carried with the following vote:

YES: Mike Johnston, Don Huggard, Colleen Bonner, Heidi Franco, Yvonne Barney, Craig Simons, Doug Clements
No: None
ABSTAIN: None
ABSENT: None

9. Lagoon Aeration Piping Repair Estimates
Multiple contractors were contacted by the district to provide estimates for repairs to existing aeration laterals that are leaking air and are not fully functional or are completely out of service. Since the repairs are below grade and are not visible, the entire scope of work is uncertain, and Contractor's pricing and conditions are reflected in this uncertainty.

Estimates were provided to the board with a recommendation to award the project to JB Gordon Construction utilizing the trench box option for an estimated cost of $23,060.00 per aeration lateral repair. The District has worked with JB Gordon recently on other projects and has been pleased with their performance and timeliness.

Motion: A motion to approve JB Gordon Construction with the repair of one aeration lateral was made by Mike Johnston and seconded by Yvonne Barney. The motion carried with the following vote:

YES: Mike Johnston, Don Huggard, Colleen Bonner, Heidi Franco, Yvonne Barney, Craig Simons, Doug Clements
No: None
ABSTAIN: None
ABSENT: None

10. Manager's Report:
Mr. Goodley presented his manager's report.

8. Closed Session (Optional) – a strategy session to discuss pending or reasonably imminent litigation pursuant to U.C.A. 52-4-205 and/or discuss personnel items:

MOTION: A motion to move into closed session to discuss property litigation was made by Yvonne Barney and seconded by Mike Johnston. The motion carried with the following vote:

YES: Mike Johnston, Don Huggard, Colleen Bonner, Heidi Franco, Yvonne Barney, Craig Simons, Doug Clements
No: None
ABSTAIN: None
ABSENT: Mike Johnston

The board moved into a closed session at 6:01 p.m.

9. Adjourn Regular Meeting:
The motion to adjourn was made in the Public Hearing as follows:

MOTION: A motion to move out of the closed session and into the open session and adjourn was made by Colleen Bonner, seconded by Yvonne Barney. The motion carried with the following vote:

YES: Mike Johnston, Don Huggard, Colleen Bonner, Heidi Franco, Yvonne Barney, Craig Simons, Doug Clements
No: None

ABSTAIN: None
ABSENT: None

The meeting was adjourned at 6:21 p.m.

APPROVED on this 11th day of June, 2026.

Heidi Franco
Heidi Franco, Chair

Christine Morgan
Christine Morgan, Secretary