

**MINUTES OF THE PUBLIC HEARING/BOARD MEETING OF THE  
BOARD OF TRUSTEES OF JORDAN VALLEY WATER CONSERVANCY DISTRICT**

(Unapproved and subject to change)

Held May 10, 2023

A Public Hearing/Board meeting of the Board of Trustees of the Jordan Valley Water Conservancy District was held in person and electronically on Wednesday, May 10, 2023, at 6:00 p.m. at JWCD'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 Ann. (1953) §§ 52-4-1 et seq.) and Chapter 7.12 of the Administrative Policy and Procedures Manual ("Electronic Meetings").

Trustees Present:

Corey L. Rushton, Chair  
A. Reed Gibby  
Zach Jacob  
Karen D. Lang  
Sherrie L. Ohrn  
Dawn R. Ramsey  
Mick M. Sudbury  
Barbara L. Townsend  
John H. Taylor

Staff Present:

Alan Packard, General Manager  
Jacob Young, Deputy General Manager  
Shazelle Terry, Assistant General Manager  
Gordon Batt, Operations Department Manager  
Jason Brown, Information Systems Department Manager  
Brian Callister, Maintenance Department Manager  
Shane Swensen, Engineering Department Manager  
Mark Stratford, General Counsel  
David Martin, Chief Financial Officer/Treasurer  
Kurt Ashworth, Human Resources Manager  
Beverly Parry, Executive Assistant  
Mindy Keeling, Administrative Assistant  
Alicia Sekiller, Administrative Assistant  
Martin Feil, Database Administrator (electronic)  
Kelly Good, Communications Division Manager  
Cynthia Bee, Public Information Officer  
Jeanette Perry, Customer Services Supervisor (electronic)

Also Present:

Mark Chalk, General Manager, Taylorsville-Bennion Improvement District (electronic)  
Shawn Koorn, Associate Vice President, HDR  
Randy Long, 8610 Kings Hill Dr., Cottonwood Heights, UT  
Brien Maxfield, Senior Engineer, Draper City (electronic)  
Nancy Nielsen, 1217 E 629 S, Murray, UT  
Ana Paz, Associate Engineer, South Jordan City (electronic)  
Wayne Winsor, Assistant General Manager/Chief Engineer, Metropolitan Water District of Salt Lake and Sandy

**Call to order and introduction of visitors**

Mr. Corey Rushton, Chair, convened the public hearing of the Jordan Valley Water Conservancy District Board of Trustees at 6:01 p.m. on Wednesday, May 10, 2023, in the JWCD administration building located at 8215 South 1300 West in West Jordan, Utah. Mr. Rushton introduced the members of the Board and visitors who joined the meeting in person and electronically. Mr. Rushton stated this public hearing was being held to receive public comments regarding the fiscal year (FY) 2023/2024 tentative financial plan and budget, proposed fee changes, and the tentative wholesale and retail water rates.

**Public Hearing on the tentative financial plan and budget for fiscal period July 1, 2023, to June 30, 2024, proposed fee changes, and the tentative wholesale and retail water rates for fiscal period July 1, 2023, to June 30, 2024**

**Verification of legal notification requirements**

Mr. Rushton asked Mr. Mark Stratford, General Counsel, to report on verification of legal notification requirements for the public hearing. Mr. Stratford stated that a notice was posted at the District office for this public hearing for the proposed retail and wholesale water rates, changes in fees for services, and the tentative FY 2023/2024 budget and financial plan. An affidavit was provided by staff indicating mailed notice of the public hearing was sent to all JWCD retail customers. He stated that all requirements were met for legal notification as required by the Utah Code.

**Motion to open public hearing**

Mr. Rushton called for a motion to open the public hearing. Ms. Karen Lang moved to open the public hearing. Following a second by Ms. Barbara Townsend, the motion was unanimously approved as follows:

Mr. Gibby – aye	Mr. Jacob – aye
Ms. Lang – aye	Ms. Ohrn – aye
Ms. Ramsey – aye	Mr. Rushton – aye
Mr. Sudbury – aye	Mr. Taylor – aye
Ms. Townsend - aye	

**Comments from the Finance Committee Chair**

Mr. John Taylor, Finance Committee Chair, expressed appreciation to staff for the effort that has gone into preparing the proposed budget.

**Staff Presentation**

Mr. David Martin, Chief Financial Officer/Treasurer, was asked to review the schedule of Board actions and give an overview of the tentative financial plan and budget for FY 2023/2024 and proposed changes in fees.

**Review schedule of Board actions**

Mr. Martin said staff began preparation of the budget in January 2023. He reviewed the schedule of Board actions which included two Finance Committee meetings; the water rate analysis and calculation by JWCD's consultant; the April 12, 2023, Board meeting where the Board tentatively approved the tentative FY 2023/2024 budget and water rates; today's public hearing; and the June 7, 2023, Board meeting where the tentative budget, the proposed tax rate, the proposed fee changes, and the final water rates will be

adopted to be effective as of July 1, 2023. He said a Truth-in-Taxation public hearing will also be planned for August 9, 2023.

**Overview of tentative financial plan and budget**

Mr. Martin reviewed the sources and uses of funds totaling \$177,434,615. He stated the increase in the budgeted water sales revenue is due to a proposed 5.0% water rate increase, and the property tax revenue increase is attributed to taxes from new growth and the proposed property tax rate increase. The remaining sources of funds include interest income, bond proceeds for capital projects, \$5.6 million from the Revenue Stabilization Fund, and other miscellaneous revenue.

Regarding the uses of funds, the largest portion of the budget is the operations and maintenance budget at \$59.7 million, an increase of 7.5% over last year. Mr. Martin said there are eight bonds outstanding totaling approximately \$285 million, and one new bond will be issued during FY 2023/2024 in the amount of approximately \$100 million, which bonds have \$25.4 million of budgeted debt service payments. The conservation programs line item is the largest increase of the operations and maintenance budget, at approximately \$1.5 million, which will be funded by a grant from the Salt Lake County Municipal Grant Program. Personnel expenses include four new positions and a 6.5% pay increase. Other increases to the operations and maintenance budget are a result of inflation.

Mr. Martin reviewed the general equipment budget, which totals approximately \$1.4 million and is made up of items costing \$10,000 or more, have a useful life of more than one year, and which are recorded as assets and depreciated. He reviewed the capital projects budget, which totals approximately \$61.2 million and is divided into four categories. Mr. Martin identified the largest projects in the different categories.

Mr. Martin said a property tax rate increase is included in the FY 2023/2024 tentative budget of approximately 9%, or enough to generate \$2,313,000 of tax revenue. He reviewed proposed fee changes. Mr. Martin stated the annual Member Agency meeting was held on April 26, 2023, at which staff reviewed with JVVCD's Member Agencies the tentative water rates. After the April Board meeting, a letter was mailed to retail customers that included the tentative retail water rates, proposed fee changes, and public hearing information.

**Tentative retail and wholesale water rates presentation**

Mr. Martin introduced Shawn Koorn, Associate Vice President of HDR. Mr. Koorn reviewed the methodology used to determine JVVCD's water rates. The process includes three steps: determining the revenue requirement, performing a cost of service analysis, and rate design. Mr. Koorn said that at the March Finance Committee meeting, the Board directed HDR to develop the water rate analysis with a 5.0% overall system rate adjustment for FY 2023/2024, develop a cost of service analysis, and develop proposed rates based on cost of service results.

Mr. Koorn said JVVCD updates its water rates on an annual basis to ensure the rates reflect each agency's use and cost of service. He explained how each Member Agency's cost of service varies according to its peak day and peak hour demands. He then reviewed in detail how the revenue requirement, cost of service analysis, and rate design were used to determine FY 2023/2024 tentative water rates. He summarized by saying there is an overall

---

revenue adjustment increase of 5.0% in FY 2023/2024, cost of service results show minor differences in water rate adjustments among Member Agencies overall, proposed rates reflect overall revenue needs and cost of service results for retail and individual wholesale member agencies, and rates will be implemented July 1, 2023, if approved by the Board.

---

**Questions from Trustees**

Mr. Rushton asked staff to analyze the retail tier rate schedule to determine if it is encouraging water conservation.

---

**Invitation for public comments**

Mr. Martin summarized three comments received from retail customers as follows:

**Acknowledgement of public comments received**

- Alec Miller (retail customer), lives in Murray, emailed that “Water prices should be much higher than they are. Please raise rates to encourage water conservation. Thanks for doing the work!”
  - Roger Terry (retail customer), lives in unincorporated area of Sandy, called and commented that some of the fee increases seem too high, with 100% increases. This is higher than current inflation rates.
  - Charles Kulp (retail customer), lives in Murray, sent a letter describing his observation and opinion that the retail water rate increases seem to decrease as water use increases. If proposed rates were changed slightly, the rates would become progressive.
- 

**Comments from visitors**

Mr. Randy Long, lives in Cottonwood Heights, expressed his displeasure with animals being allowed in Millcreek and said it should be designated as part of the watershed protective area.

---

**Close public comment session**

Mr. Rushton closed the public comment session.

---

**Staff response and summary**

Mr. Alan Packard, General Manager, explained that JVVCD does not have any water rights in Millcreek. He said that JVVCD would be willing to work with partner agencies should they be interested in exploring restriction options in Millcreek for water supply purposes.

---

**Motion to close public hearing**

Mr. Rushton called for a motion to close the public hearing. Mr. Mick Sudbury moved to close the public hearing. Following a second by Ms. Sherrie Ohrn, the motion was unanimously approved as follows:

- |                    |                   |
|--------------------|-------------------|
| Mr. Gibby – aye    | Mr. Jacob – aye   |
| Ms. Lang – aye     | Ms. Ohrn – aye    |
| Ms. Ramsey – aye   | Mr. Rushton – aye |
| Mr. Sudbury – aye  | Mr. Taylor – aye  |
| Ms. Townsend - aye |                   |
- 

**Consider scheduling approval at the June 7, 2023, Board meeting, to be held at 8215**

Mr. Rushton called for a motion to consider scheduling approval at the June 7, 2023, Board meeting of the adoption of the FY 2023/2024 tentative financial plan and budget; determining and fixing a proposed tax rate; and final adoption of wholesale and retail water rates. Ms. Sherrie Ohrn moved to schedule approval of these items at the June 7, 2023, Board meeting.

**South 1300 West in West Jordan, Utah, of the following items for fiscal year July 1, 2023, to June 30, 2024: adoption of the tentative financial plan and budget; determining and fixing a proposed tax rate; and final adoption of wholesale and retail water rates**

Following a second by Mr. Mick Sudbury, the motion was unanimously approved as follows

Mr. Gibby – aye  
Ms. Lang – aye  
Ms. Ramsey – aye  
Mr. Sudbury – aye  
Ms. Townsend - aye

Mr. Jacob – aye  
Ms. Ohrn – aye  
Mr. Rushton – aye  
Mr. Taylor – aye

**Approval of common consent items**

Mr. Rushton presented the minutes of the Executive Committee meeting held April 10, 2023, and the regular Board meeting held April 12, 2023. He also presented the April Trustees' Expenses Report. Mr. Rushton called for a motion. Ms. Karen Lang moved to approve the minutes of the April 10 and April 12 meetings and the April Trustees' Expenses Report. Following a second by Ms. Dawn Ramsey, the motion was unanimously approved as follows:

Mr. Gibby – aye  
Ms. Lang – aye  
Ms. Ramsey – aye  
Mr. Sudbury – aye  
Ms. Townsend - aye

Mr. Jacob – aye  
Ms. Ohrn – aye  
Mr. Rushton – aye  
Mr. Taylor – aye

**Consider establishing a water supply availability level**

Mr. Packard said that each year during the May Board meeting, staff presents a recommendation to the Board to establish a Water Supply Availability Level in accordance with the JWCD Drought Contingency Plan (DCP). The DCP identifies mitigation measures to become more resilient against future droughts and provides a framework for the implementation of response actions corresponding to various water supply availability levels. The DCP identifies criteria to be considered when establishing a water supply availability level and the target demand reduction for each level. The process used includes convening a Drought Monitoring Committee which consists of one voting member from each of the 17 wholesale member agencies and one voting member from JWCD staff. The Committee reviewed expected water supply availability and 8 voted to recommend a Water Supply Availability Level 0 and 7 voted to recommend that JWCD establish Water Supply Availability Level 1. Since the Committee voted, the water supply forecast has improved significantly. Mr. Packard provided information on past water supply utilization as well as planned future water supply utilization. He reviewed water supply availability messaging that has been prepared by staff for Level 0 (full supply condition) and Level 1 (initial action level in response to low supply conditions). Mr. Packard recommended the Board approve Water Supply Availability Level 0 be established for the remainder of the calendar year 2023.

Ms. Dawn Ramsey said one anomalous year does not change the continuing drought, and she supports establishing a Water Supply Availability Level 1 as

a long term strategy for water conservation. She said establishing a Level 1 would put JVVCD more in alignment with what the Utah legislature is trying to accomplish regarding water conservation.

Mr. Zach Jacob agreed with Ms. Ramsey and pointed out that the water supply availability messaging for Level 1 is almost identical to Level 0. He supports establishing a Water Supply Availability Level 1. He also questioned if the criteria being used for establishing the Water Supply Availability Level is objective or subjective and how that affects the role of the Trustees.

Mr. Packard said the three criteria for establishing the Water Supply Availability Level are objective but there is allowance for the Drought Monitoring Committee to use judgment and take into consideration the next year's water supply outlook to make their recommendation.

Ms. Barbara Townsend said she supports a Water Supply Availability Level 0 due to the credibility factor. After the record snowfall this year, she said the public would have a hard time accepting that we are still in a drought situation. She said we need to be where we actually are, and the great snow year should be acknowledged.

Ms. Sherrie Ohrn said JVVCD is not establishing a drought level but rather a water supply availability level. By establishing Level 0, JVVCD is stating that there is enough water supply available for the upcoming year. She said JVVCD's messaging should not be about drought, but conservation. She also felt JVVCD could lose credibility with the public if we continue with drought messaging when we have had a great snowpack year. According to the DCP, JVVCD's water supply availability is Level 0. Ms. Ohrn pointed out that the establishment of a water availability level can be revisited if the public response to conservation messaging changes. She said JVVCD needs to get away from drought messaging and concentrate on conservation messaging.

Mr. Reed Gibby said he supports a Water Supply Availability Level 0 because of the credibility factor. He said the messaging should include "we've had a great winter, but we also had great conservation last summer." Mr. Gibby said the precipitation in Draper for April and May has been significantly below average. He also said messaging needs to make it clear that this only applies to JVVCD service area as other areas in the state are still in a drought situation. Mr. Gibby suggested considering changing the Level 0 Water Demand Reduction Target from none to five percent. Ms. Ramsey and Ms. Ohrn agreed.

Mr. John Taylor said JVVCD is establishing a water availability level, not a drought level. He agreed that conservation messaging needs to remain strong, but the great water year needs to also be celebrated also.

Mr. Corey Rushton said he has confidence that staff can use the appropriate conservation messaging at the appropriate time. He said there needs to be flexibility in Member Agency contracts to allow for conservation. He supports establishing a Water Availability Level 0.

Mr. Rushton called for a motion on Mr. Packard's recommendation to establish a Water Supply Availability Level 0. Ms. Karen Lang moved to establish Water Supply Availability Level 0 and asked staff to look at making

---

the suggested changes to the Drought Contingency Plan. Following a second by Mr. Mick Sudbury, the motion was approved as follows:

Mr. Gibby – aye	Mr. Jacob – nay
Ms. Lang – aye	Ms. Ohrn – aye
Ms. Ramsey – nay	Mr. Rushton – aye
Mr. Sudbury – aye	Mr. Taylor – aye
Ms. Townsend - aye	

---

**Engineering activities**

**Consider approval of Master Agreement with UDOT for Bangerter Highway South Interchanges Project**

Mr. Jacob Young, Deputy General Manager, said the Master Agreement for the Board’s consideration is related to relocation of a 30-inch water main located at the intersection of 13400 South and Bangerter Highway in connection with the UDOT Bangerter Highway South Interchanges Project. The Master Agreement sets forth terms and conditions regarding the relocation, and UDOT will bear all costs associated with relocation of the existing pipeline. Mr. Young recommended approval of a Master Agreement with UDOT for Bangerter Highway South Interchanges Project and authorize the General Manager, General Counsel, and Deputy General Manager to make necessary revisions and execute the agreement.

Mr. Rushton called for a motion on the recommendation. Ms. Dawn Ramsey moved to approve a Master Agreement with Utah Department of Transportation for Bangerter Highway South Interchanges Project and authorize the General Manager, General Counsel, and Deputy General Manager to make necessary revisions and execute the agreement. Following a second by Ms. Barbara Townsend, the motion was unanimously approved as follows:

Mr. Gibby – aye	Mr. Jacob – aye
Ms. Lang – aye	Ms. Ohrn – aye
Ms. Ramsey – aye	Mr. Rushton – aye
Mr. Sudbury – aye	Mr. Taylor – aye
Ms. Townsend - aye	

---

**Upcoming meetings**

Mr. Rushton reviewed the upcoming meetings for June including the Conservation Committee meeting, Monday, June 5 at 3:00 p.m.; Executive Committee meeting, Monday, June 5 at 3:30 p.m.; and regular Board meeting, Wednesday, June 7 at 3:00 p.m.

---

**Adjourn**

Mr. Rushton called for a motion to adjourn. Ms. Barbara Townsend moved to adjourn. Following a second by Mr. Mick Sudbury, the meeting adjourned at 7:53 p.m.

---

---

Corey L. Rushton, Chair of the Board of Trustees

---

Alan E. Packard, Clerk