General Manager's Report to the Board Fiscal Year 2022/2023

JORDAN VALLEY WATER
CONSERVANCY DISTRICT

Alan Packard, General Manager

August 2023

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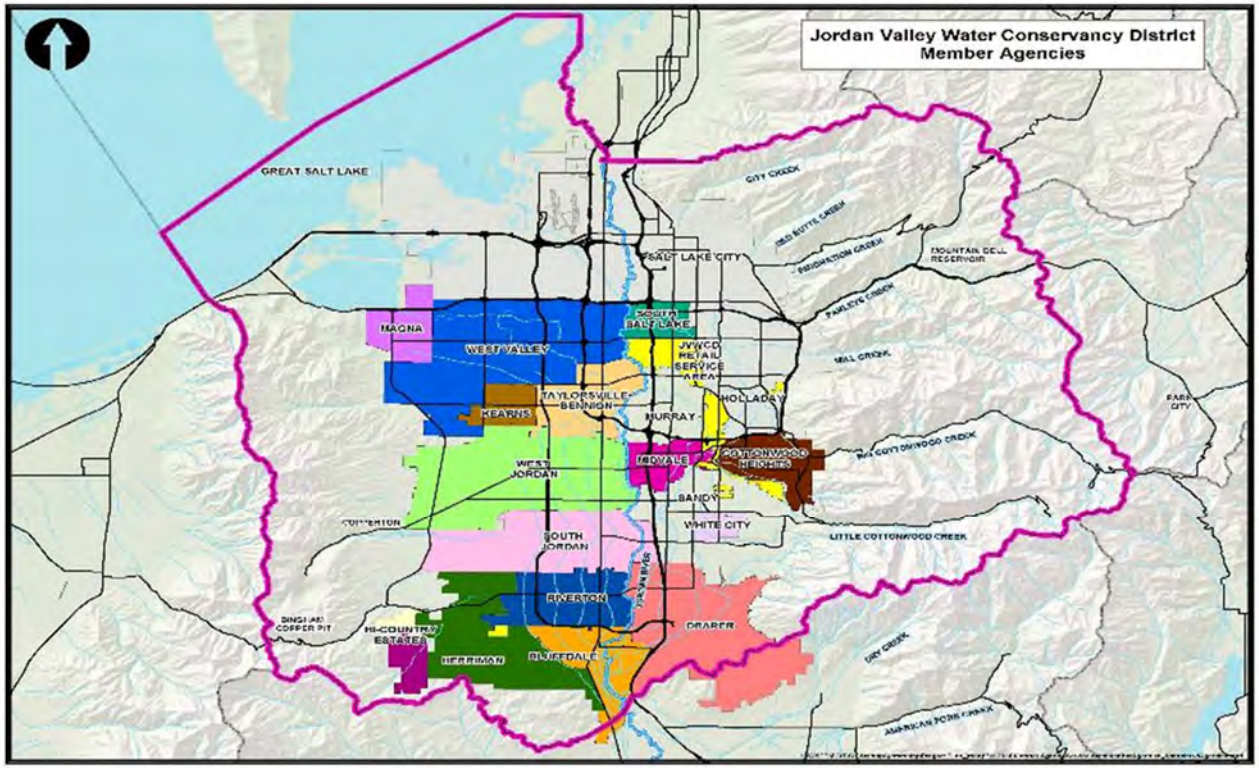
Mission, Board of Trustees, and Staff

The Jordan Valley Water Conservancy District (JVWCD) was formed in 1951 to develop and deliver essential drinking water supplies to its founding communities. Those founding communities recognized that JVWCD (then named the Salt Lake County Water Conservancy District) operating for their collective benefit could provide this essential service more cost-effectively than each community "going it alone." Now over seventy years later, JVWCD continues to fulfill its mission to deliver quality water and services every day to its seventeen wholesale member agencies and retail service area. Including the deliveries JVWCD makes on behalf of its partner agency, the Metropolitan Water District of Salt Lake and Sandy, JVWCD serves a combined population of over one million people in Salt Lake and Utah Counties.



Board of Trustees

The Board of Trustees continues to fulfill its purpose to provide oversight and governance of the District. Staff appreciates the constructive input received from the Board as we execute the mission of the District.

Corey Rushton
Chair

Reed Gibby

Karen Lang
Vice Chair

Zach Jacob

Sherrie Ohrn
Conservation Chair

Dawn Ramsey

Mick Sudbury

John Taylor
Finance Chair

Barbara Townsend

Staff

The team of JVWCD employees apply their diverse talents and experience to achieve excellence as an organization. Each employee accomplishes an important role as we strive to fulfill our mission to **Deliver Quality Water and Services Every Day**.

During FY 2022/2023, there were 155 authorized full-time positions. The challenges of a tight labor market persisted with an average of seven positions going unfilled during this fiscal year. There were six retirements and 13 new hires during FY 2022/2023.

We remained focused on strengthening our ability to attract and retain talented and committed employees by building upon our workplace culture and offering a competitive pay and benefits package.

Water Quality/Lab

Engineering

Instrumentation

Conservation

Staff

Pipeline Maintenance

Fleet & Equipment Maintenance

Inspection & Locations

Facilities Maintenance

Staff

JVWTP Operators

Administration

SERWTP Operators

Information Systems

Staff

Operations

Human Resources

Accounting

Administration

Staff

Meters & System Operators

SWGWTP Operators

Communications & Customer Service

Three Key Services

A. Deliver Reliable, High Quality Water Supplies
   i. Water Deliveries and Source Utilization
   ii. Water Quality

B. Manage Demand
   i. Conservation Activities and Progress

C. Prepare for the Future
   i. Capital Improvements
   ii. Strategic Plan

Water Deliveries and Source Utilization

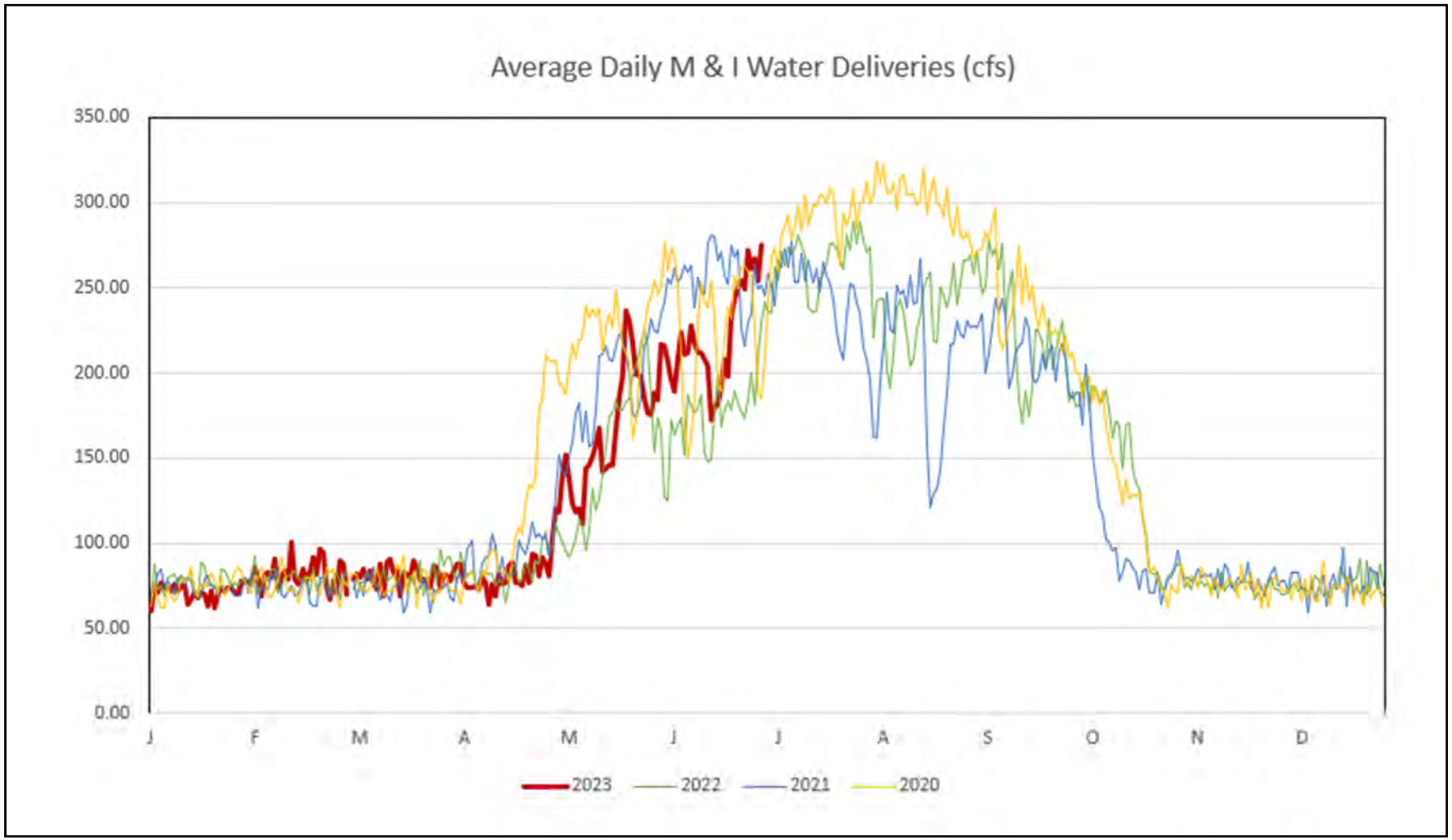
Wholesale and retail water deliveries during FY 2022/2023 totaled 101,369 AF which was slightly less than the budget estimate (102,000 AF). As the fiscal year began in July 2022, JVWCD was in an established Level 1 Water Supply Availability condition due to the multiple years of severe drought conditions stressing water supplies. JVWCD and member agency messaging, along with extensive media coverage of the drought conditions, helped lower demand for water. Table 1 shows deliveries made to each member agency during FY 2022/2023 in comparison to the previous fiscal year.

Table 1 **2022/23 Water Deliveries**

Member Agency	2022/2023 Volume (AF)	2021/2022 Volume (AF)	% Change
Bluffdale City	3350	3313	1%
Copperton Improvement District (Emergency Only)	29	1	1916%
Draper City	4205	4194	0%
Granger-Hunter Improvement District	18939	18533	2%
Herriman City	5533	5243	6%
Hexcel Corporation	934	658	42%
Kearns Improvement District	7218	7155	1%
Magna Water District	799	803	-1%
Midvale City	3450	2761	25%
Riverton City	5220	4750	10%
South Jordan City	16482	15304	8%
City of South Salt Lake	1073	1020	5%
Taylorsville-Bennion Improvement District	4825	4569	6%
Utah Division of Facilities and Construction Management	228	447	-49%
Water Pro, Inc.	1129	1331	-15%
City of West Jordan	20336	18793	8%
White City Water Improvement District (Emergency Only)	0	0	0%
Willow Creek Country Club	303	269	13%
JVWCD Retail	7317	7012	4%
Total Wholesale and Retail	**101369**	**96155**	**5%**

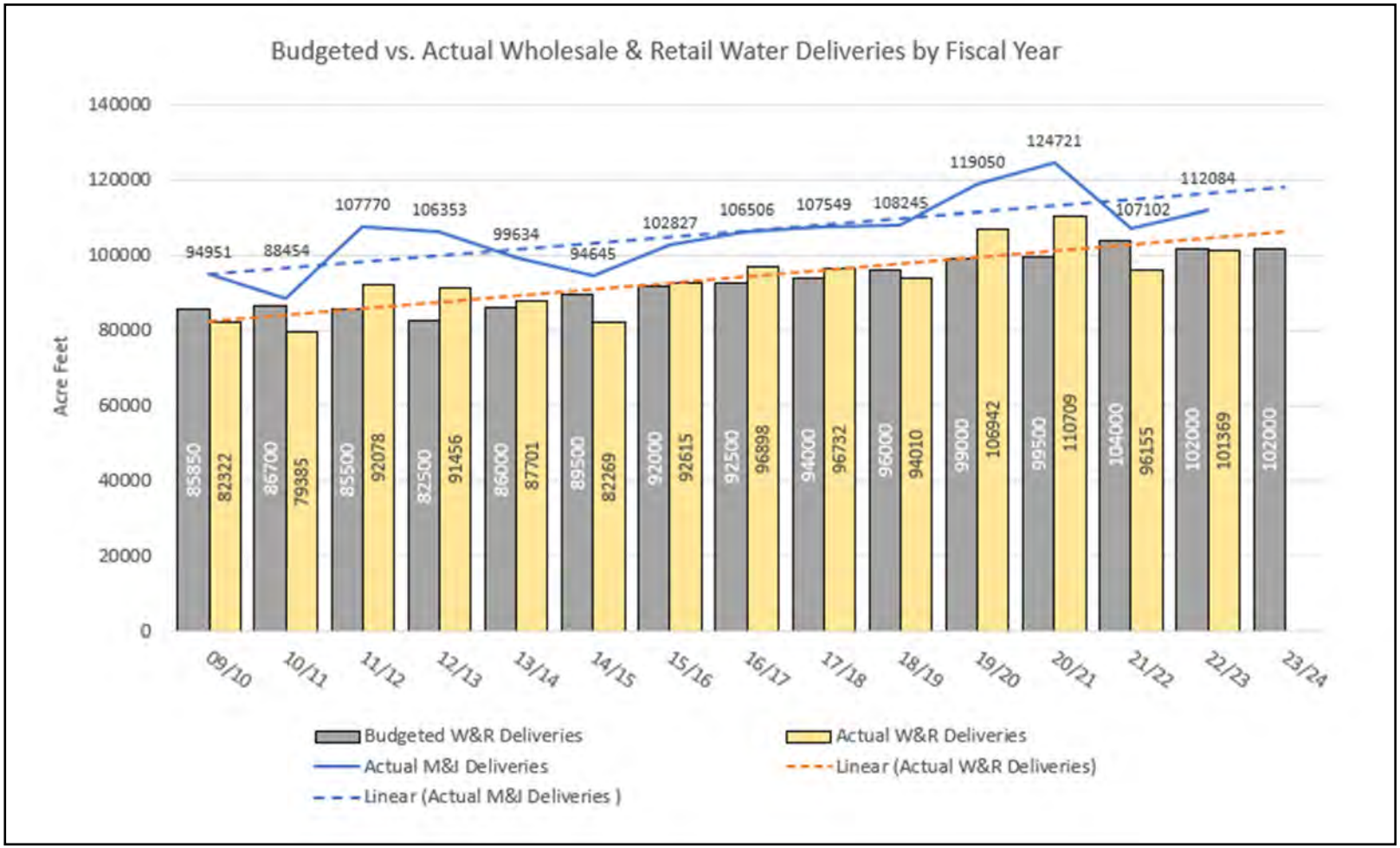
Water Deliveries and Source Utilization

Figure 1



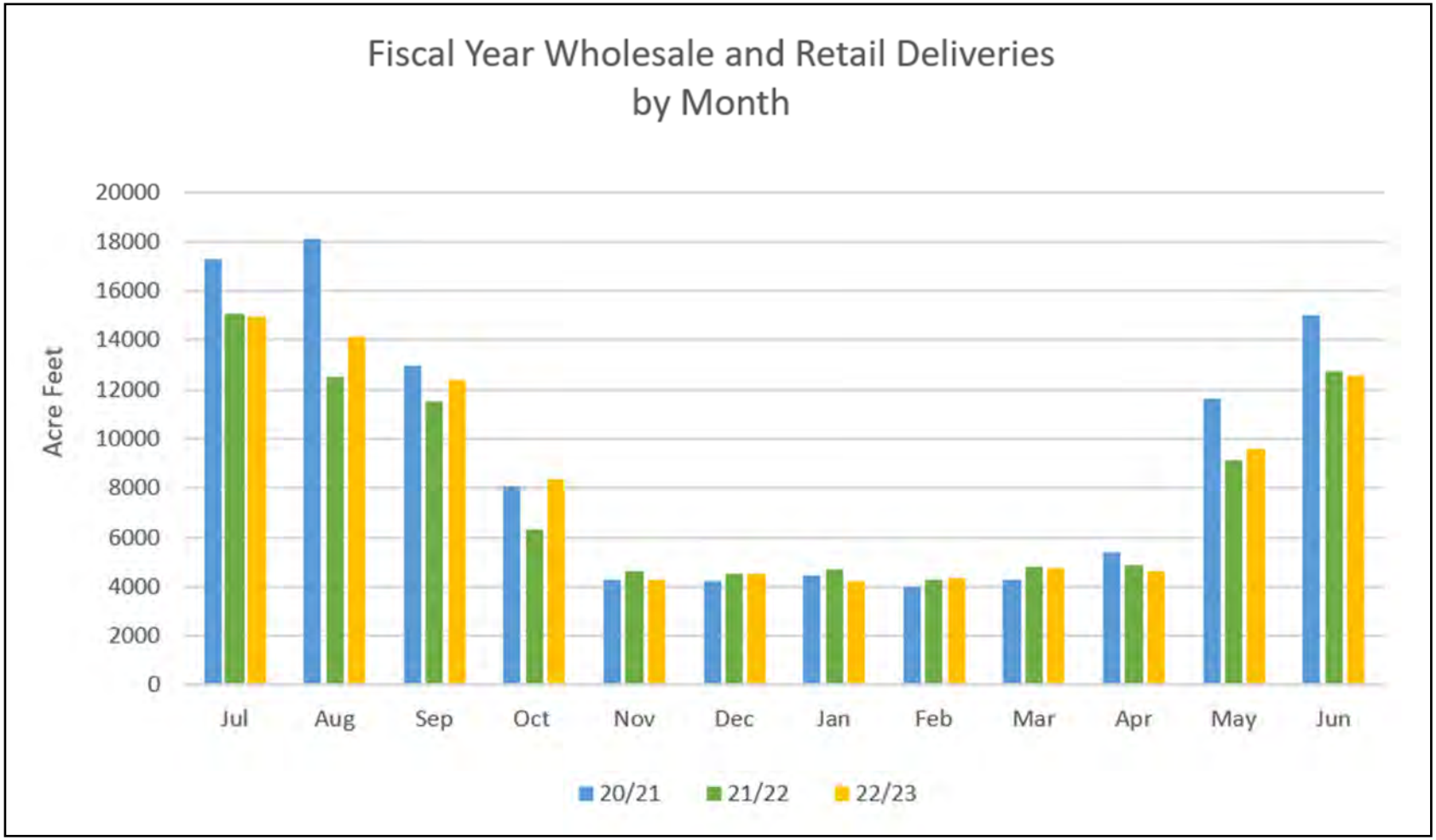
Water Deliveries and Source Utilization

Figure 2



Water Deliveries and Source Utilization

Figure 3



Water Deliveries and Source Utilization

Table 2

M&I Sources	22/23 Volume (AF)	21/22 Volume (AF)	20/21 Volume (AF)
Jordanelle Reservoir (CUP)	31,007	35,984	56,516
Deer Creek Reservoir (PRP)	31,843	10,539	11,069
Upper Provo Reservoirs	1,534	1,392	2,121
Echo Reservoir	1,786	-	998
Provo River Unstored Flows	9,821	16,193	13,146
Weber River Unstored Flows	-	1,833	1,291
Central Water Project	11,679	11,676	11,680
Salt Lake County Mountain Streams	1,449	1,248	1,317
Salt Lake County Groundwater Wells	12,733	16,225	10,218
Southwest GW Project Wells	3,242	3,355	4,422
BCWTP	2,859	3,114	3,321
Culinary Water Purchased from MWDSLS	867	798	1,101
Total M&I Sources	108,820	102,357	117,200

Irrigation Sources	22/23 Volume (AF)	21/22 Volume (AF)	20/21 Volume (AF)
Deer Creek Reservoir (PRP)	2,201	-	-
Provo River Unstored Flows	5,657	2,719	-
Utah Lake	14,217	21,928	31,964
Total Irrigation Sources	22,075	24,647	31,964

Water Quality

Water deliveries in fiscal year 2022/2023 provided water quality that not only exceeded regulatory standards, but also consistently exceeded industry best practices and achieved the District's self-imposed water quality goals the majority of the time (see Figure 4).

Figure 4

WATER QUALITY TRACKING

	Jul-22	Aug-22	Sep-22	Oct-22	22-Nov	22-Dec	23-Jan	23-Feb	23-Mar	23-Apr	23-May	23-Jun
Overall Met Goal %	93.33%	92.65%	91.43%	91.67%	91.48%	91.68%	90.79%	90.36%	89.82%	89.75%	89.18%	88.82%
JVWTP												
Turbidity less than 0.08 NTU (hourly max)	98.89%	98.85%	98.81%	99.45%	99.48%	99.90%	99.92%	99.92%	99.92%	99.89%	99.86%	99.85%
Turbidity less than 0.08 NTU (hourly max)	99.48%	99.54%	98.07%	98.08%	98.10%	98.31%	98.27%	98.06%	97.97%	97.98%	98.55%	98.43%
Maximum total particle counts < 50/mL (hourly max)	84.95%	84.43%	81.33%	80.12%	80.63%	80.11%	80.66%	80.01%	79.17%	77.31%	73.33%	73.38%
Chlorine effluent residual between 0.50 and 1.00 mg/L (hourly max/min)	85.83%	86.12%	86.96%	94.87%	90.76%	90.79%	86.09%	84.74%	84.01%	82.79%	82.42%	82.17%
Effluent TOC < 2.0 mg/L (weekly) use data from LIMS	93.88%	92.00%	87.76%	87.76%	88.46%	90.38%	88.46%	88.46%	88.46%	88.24%	82.69%	74.51%
Langlier greater than -0.10 and less than 0.50	94.18%	94.65%	99.05%	99.81%	99.82%	99.82%	99.00%	99.08%	99.10%	99.10%	98.90%	95.84%
Geosmin concentration < 5 ng/L or >70% removal	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
SERWTP												
Turbidity less than 0.08 NTU (hourly max)	98.01%	96.98%	95.79%	95.77%	96.11%	95.76%	95.38%	95.32%	95.24%	95.52%	95.44%	95.36%
Total particle count < 20/mL (hourly max)	90.83%	86.62%	83.03%	84.49%	84.14%	87.36%	84.72%	83.15%	81.92%	84.31%	85.30%	85.66%
Turbidity less than 0.08 NTU (hourly max)	91.29%	90.63%	91.03%	91.29%	91.79%	91.48%	90.66%	90.15%	90.06%	90.15%	90.04%	90.04%
Maximum total particle counts < 30/mL (hourly max)	92.11%	91.85%	88.08%	88.33%	88.63%	88.75%	88.45%	88.03%	88.21%	88.29%	88.00%	88.00%
Chlorine effluent residual less than .90 mg/L (hourly max)	96.40%	91.41%	85.88%	97.29%	98.54%	98.59%	98.60%	98.57%	98.66%	98.74%	98.74%	98.63%
Chlorine CT ratio greater than 1.25 but less 5.0 (hourly AVG)	97.92%	92.95%	83.71%	80.90%	86.29%	97.45%	97.46%	97.46%	97.45%	97.54%	97.54%	97.44%
Effluent TOC < 2.0 mg/L (weekly) use lab data from LIMS	76.09%	80.85%	82.61%	79.59%	80.43%	77.27%	77.27%	75.00%	70.45%	64.44%	56.52%	55.56%
Langlier greater than -1.5 and less than 0.40 (Daily Average)	67.75%	67.10%	66.78%	62.35%	61.26%	62.79%	61.99%	67.00%	70.13%	73.49%	78.30%	85.50%
Geosmin concentration < 5 ng/L or >70% removal	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
SWGWTP												
Turbidity less than or equal to 0.035 NTU (hourly max)	99.80%	99.89%	99.91%	99.94%	99.91%	99.87%	99.90%	99.86%	99.73%	99.71%	99.71%	99.71%
TDS > 205 ppm and < 262 ppm (Daily Minimum / Maximum)	100.00%	100.00%	100.00%	100.00%	98.85%	98.81%	90.94%	86.90%	83.33%	82.21%	82.21%	82.21%
By-Pass Turbidity < 0.065 NTU (hourly max)	99.88%	92.80%	90.62%	90.47%	90.43%	89.66%	86.86%	87.30%	86.82%	89.77%	86.89%	86.88%
Chlorine effluent residual between 0.65 and 0.85 mg/L (hourly min/max)	89.37%	90.41%	89.89%	90.45%	90.79%	91.02%	98.11%	98.52%	98.41%	98.38%	98.38%	98.37%
Langlier greater than .05 and less than 0.25 (Daily Average)	94.44%	94.10%	95.15%	96.24%	94.27%	94.44%	92.52%	87.30%	85.32%	81.03%	81.03%	81.03%
DISTRIBUTION SYSTEM												
All chlorine residual grab samples > 0.05 mg/L (grab samples only)	99.49%	99.68%	99.68%	99.50%	99.50%	99.37%	99.36%	99.81%	99.81%	99.81%	99.81%	99.81%
All HPC samples with a count < 150 mpn/100ml (confirmed samples)	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Chlorine residual at 2100 S between 0.3 and 0.7 mg/L (min/max hourly)	89.08%	89.09%	88.04%	86.60%	85.83%	85.15%	81.94%	83.93%	82.42%	82.42%	81.17%	82.29%
70% Feed location fluoride concentration 0.60 and 1.0 mg/L	94.25%	94.25%	87.12%	86.85%	87.40%	85.48%	83.01%	82.74%	81.37%	81.37%	81.10%	80.00%
Non-feed fluoride concentration monitoring sites between 0.60 and 0.90 mg/L	76.99%	77.53%	75.62%	72.60%	69.59%	67.67%	67.67%	67.67%	67.67%	67.67%	68.77%	66.03%
Geosmin concentration < 5 ng/L or >70% removal	96.30%	96.30%	96.30%	96.15%	96.00%	96.00%	96.00%	96.00%	96.00%	100.00%	100.00%	100.00%
PERCIEVED WATER QUALITY												
Number of water quality related calls total	11	11	9	8	9	9	9	9	11	0	0	0
Number of water quality related calls (Retail)	0	1	0	0	1	0	2	1	3	0	1	0
Number of water quality related calls (Wholesale)	0	0	0	0	0	0	0	0	0	0	0	0

Legend

0% 60% 100%

Water Quality

The District Operations and Water Quality staff continue to work closely with the Division of Drinking Water, the Division of Water Quality, and the Utah Water Quality Alliance to stay ahead of and prepare for upcoming regulations and best practices for treatment and distribution system management. We are also very active with the Provo River Watershed Council working with the many stakeholders within the Provo Watershed to protect the water quality of our sources in Jordanelle and Deer Creek Reservoirs.

Manage Demand - Conservation Activities and Progress

In November 2019, the District's Board of Trustees adopted Resolution No. 19-34 approving the District's 2019 Water Conservation Plan Update (Plan). This satisfied the requirements of the "Water Conservation Plan Act" as the update is required every 5 years, the next plan being due in 2024.

Implementation of the current Plan continued in fiscal year 2022/2023 by increasing conservation related budgets to meet increasing demand for the District's incentive programs and services. The accelerating public demand is pushing water conservation programs to levels that are ahead of what was anticipated in the Plan. The budget for fiscal year 2022/2023 included a Conservation Supervisor position to help manage the staff and programs more effectively.

Water use results for calendar year 2022 can be seen in the two charts shown in Figures 5 and 6 below. Extensive messaging associated with the extreme drought conditions led to a significant decrease in water use per person in 2022.

Figure 5

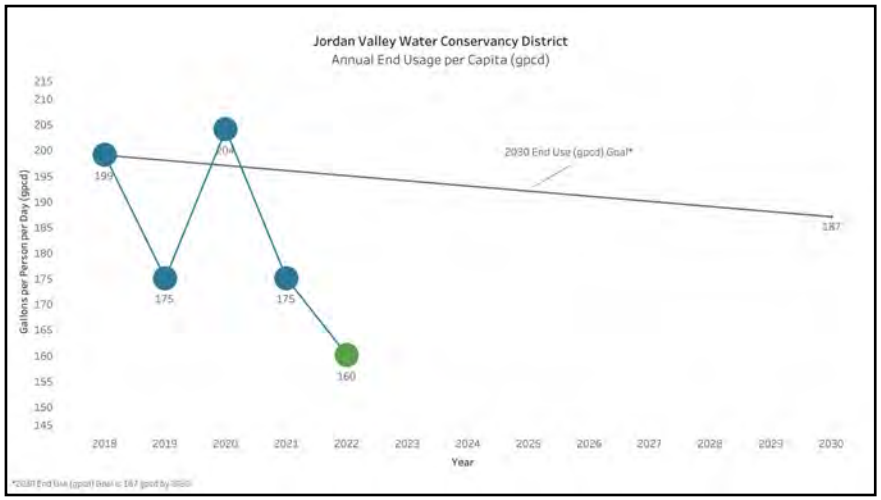
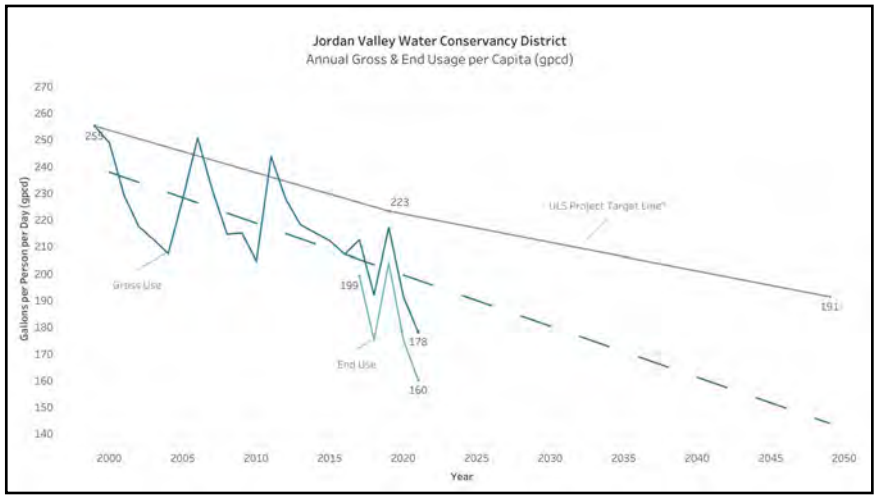


Figure 6



Manage Demand - Conservation Activities and Progress

During fiscal year 2022/2023, Utah Water Savers programs were being offered throughout the District's service area. A summary of program participation is shown in Table 3. In addition, the Utah Division of Water Resources (DWRe) is using Utah Water Savers to provide toilet replacement, smart controller rebates, and landscape incentives throughout the State of Utah. As can be seen in Table 3, program participation continues to increase each year. I would like to recognize the Conservation Programs staff for how well they are managing this growing demand.

Table 3

JVWCD Utah Water Savers Program Applications (Approved and/or Paid) (Fiscal Year)

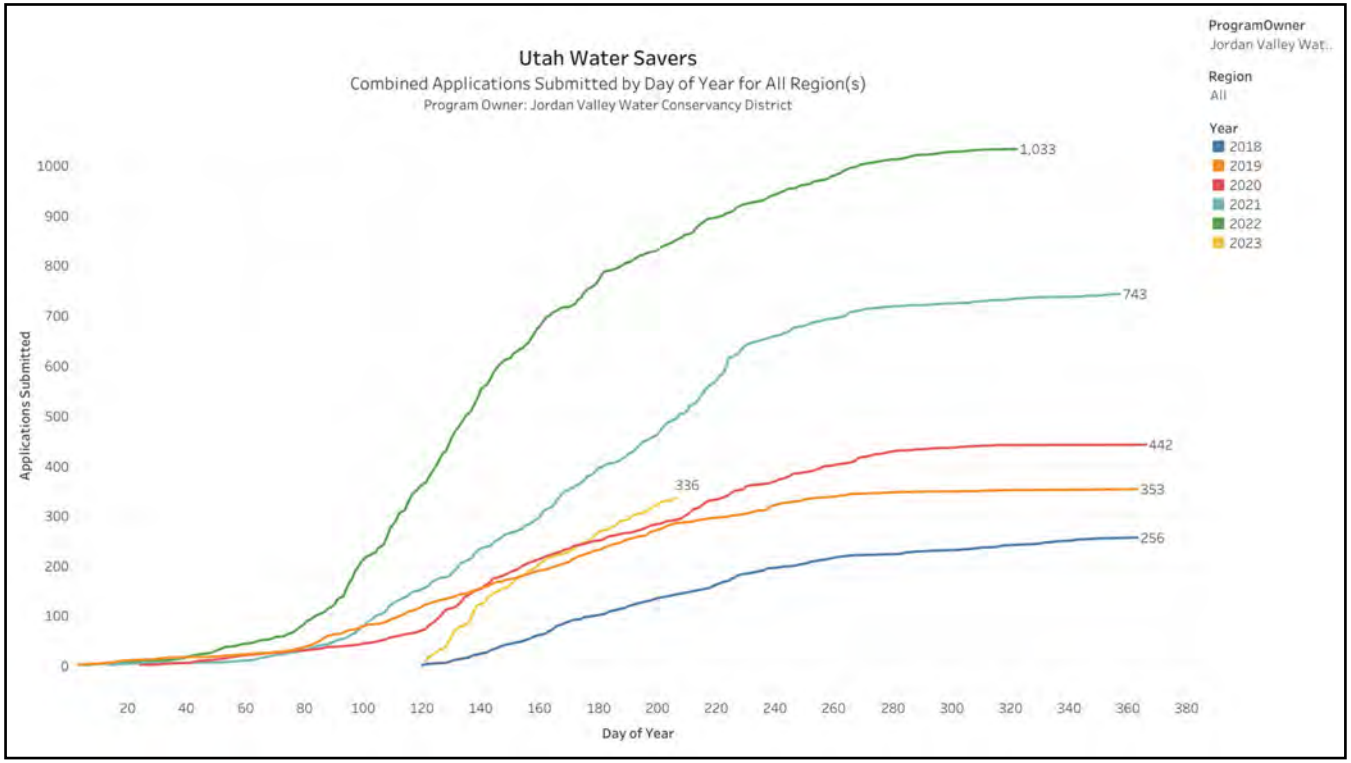
UWS Program Name		FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	Grand Total
Smart Controller	Count of Applications	776	1,482	1,574	1,294	890	426	6,442
	Rebate Amount ($)	$49,398.01	$101,944.27	$101,629.45	$92,278.23	$66,239.00	$31,692.96	$443,181.92
Flip Your Strip	Count of Applications	4	48	105	114	163	177	611
	Rebate Amount ($)	$2,760.00	$32,461.63	$72,857.12	$58,520.84	$104,358.92	$117,328.63	$388,287.14
Landscape Consultation	Count of Applications	47	167	146	266	314	136	1,076
	Rebate Amount ($)	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Localscapes Reward	Count of Applications	4	12	42	72	115	75	320
	Rebate Amount ($)	$3,149.25	$17,502.96	$73,625.19	$132,570.63	$217,642.85	$162,038.03	$606,528.91
Toilet	Count of Applications	12	117	129	135	125	76	594
	Rebate Amount ($)	$294.34	$11,298.36	$12,094.62	$12,811.09	$12,024.15	$7,539.00	$56,061.56
Grand Total	Count of Applications	843	1,826	1,996	1,881	1,607	890	9,043
	Rebate Amount ($)	$55,601.60	$163,207.22	$260,206.38	$296,180.79	$400,264.92	$318,598.62	$1,494,059.53

Dates are based on when the UWS rebate technician approved the application.

Manage Demand - Conservation Activities and Progress

Utah Water Savers is now being used to support water conservation programs for the four largest water conservancy districts and the state. The website and management portal have received major enhancements to support the new statewide turf replacement program in addition to many fixes and other features. Figure 7 shows the number of applications being submitted for the District's programs. The total number of applications is trending slightly lower this year due to discontinuing Landscape Consultations and consolidating the other landscape related programs.

Figure 7



Manage Demand - Conservation Activities and Progress

Adoption of Water Efficiency Standards

West Valley City	Riverton City	Magna Township	Draper City	Taylorsville City
• January 10, 2023 • Adopted as City ordinance	• February 21, 2023 • Adopted as City ordinance	• April 25, 2023 • Adopted as Township ordinance	• June 20, 2023 • Adopted as City ordinance	• June 21, 2023 • Adopted as City ordinance

JVWCD's Water Efficiency Standards (WES) are comprehensive outdoor landscaping requirements intended for all new construction. The cities that have adopted these standards have shown leadership for the future and building drought resilient communities. During the 2022/2023 fiscal year, five additional agencies adopted or became compliant with JVWCD's WES: West Valley City, Riverton City, Magna Metro Township, Draper City, and Taylorsville City. A total of eleven cities or townships have adopted the Water Efficiency Standards by ordinance.

Manage Demand - Conservation Activities and Progress

JVWCD formally established Level 1 Water Supply Availability conditions in May 2022. That level was maintained until May 2023 at which time a Level 0 Water Supply Availability condition was established

Water Supply Availability Level	Water Shortage Description	Water Demand Reduction Target	Triggering Criteria Applied to Water Supply Availability Levels		
			CUWCD Supply Availability (Jordanelle storage of CUP)	PRWUA Supply Allocation (in the Provo River Project)	Salt Lake Valley Groundwater Conditions
Level 0 	Normal	None	at least 95% supply availability	At least an 80% supply allocation	3-year average diversions less than safe yield
Level 1 	Moderate	5 – 10%	At least a 95% supply availability	75-80% supply allocation	Diversions to compensate for shortage exceeds 12,000 AF, or 3-year average exceeds safe yield
Level 2 	Severe	10 – 20%	At least 90-95% supply availability	75-80% supply allocation	Diversions to compensate for shortage exceeds 16,000 AF, or 3-year average exceeds safe yield
Level 3 	Extreme	20 – 30%	At least 90-95% supply availability	<75% supply allocation	Diversions to compensate for shortage exceeds 20,000 AF, or 3-year average exceeds safe yield
Level 4 	Critical/Exceptional	30 – 50%	Less than 90% supply availability	Less than 45% supply allocation	Diversions to compensate for shortage exceeds 20,000 AF, or 3-year average exceeds safe yield

Prepare for the Future - Capital Improvements

The total capital projects budget for fiscal year 2022/2023 was $54,294,522, and the actual capital project expenditures through June 2023 were $43,482,569. This is the highest single-year expenditure in capital projects in the District's recent history. This demand on our financial resources also results in an increased demand on staff to manage the design and construction of these projects, maintain system operations during construction, and integrate the new facilities into operations after the projects are complete. Staff has done a remarkable job of rising to the occasion.

We continue to experience a number of challenges that have manifest themselves over the last several years. Economic conditions are still causing shortages in both raw materials and labor, resulting in ongoing inflation of construction costs and project delays. To address this, District engineering staff have included longer completion dates to attract more competition and allow contractors more flexibility in completing projects. This has helped the District to keep costs down and receive reasonable construction bids. On our project with the most critical scheduling constraints, Jordan Valley Water Treatment Plant (JVWTP) Sedimentation Basins 3-6 Upgrade, we also include incentives of up to 2% of the total project cost for the contractor to complete the project ahead of schedule. Happily, this resulted in substantial completion of that project a full year early.

Each of the capital improvements play a critical role preparing for the future. Most significantly in fiscal year 2022/2023, the District went full force into the phased projects for the JVWTP expansion and update. This included:

- Substantial completion of the JVWTP Sedimentation Basins 3-6 Upgrade Project (Phase 1), as mentioned above, on year ahead of schedule
- Reaching 60% design of the JVWTP Floc/Sed Basins 1 & 2 Process and Seismic Improvements (Phase 2)
- Initiating design for the JVWTP Filter and Chemical Feed Upgrades (Phase 3)

Completion of all three phases is schedule for 2026, and will increase the available capacity of the plant from 180 MGD to 220 MGD. The three phases will also provide 255 MGD of treatment capacity which will be available to the system after a fourth phase is completed in the future that will add the on-site storage and conveyance capacity needed to run the plant at that rate. Projections indicate that this expansion gives the District the peak day capacity needed through 2045.

Prepare for the Future - Capital Improvements

District staff continues to replace sections of District distribution cast iron pipelines that are 50-70 years in age on a priority basis. Figure 8 shows that breaks did spike above the goal line during the winter months this fiscal year then return below the goal line. This emphasizes the need to continue making these critical improvements in renewing our system.

Figure 8

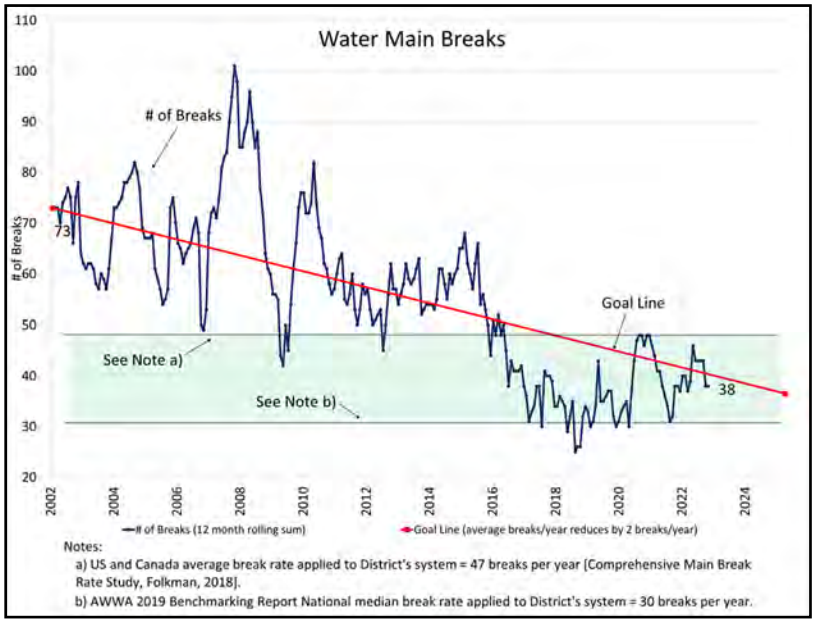
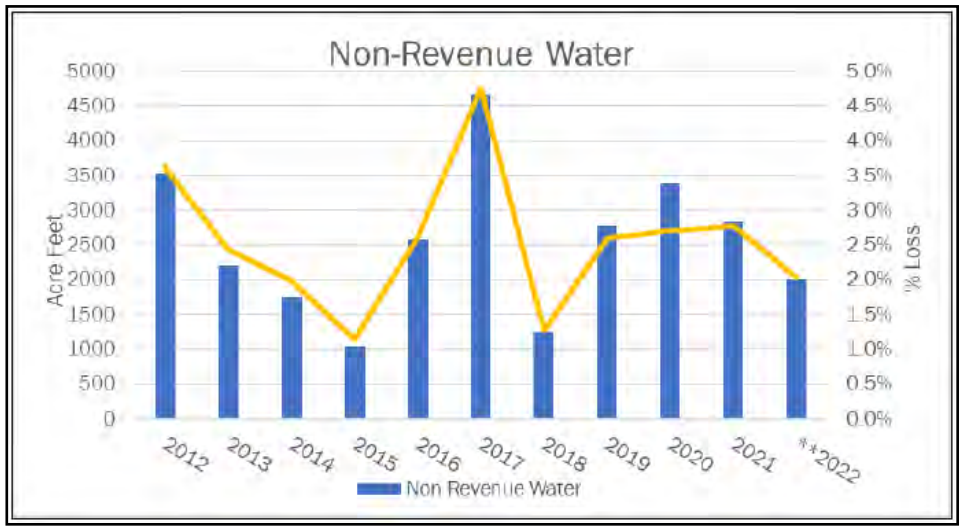


Figure 9



Staff's focus on replacement of aging cast iron pipelines continues to hold the District's non-revenue water between 1 and 5 percent as shown in Figure 9. This compares with a nation wide average for major metropolitan areas of greater than 10 percent. Pipeline leakage is an important component of non-revenue water.

Prepare for the Future - Capital Improvements

Projects Completed in Fiscal Year 2022/2023

11400 South Redwood Road Meter Vault Rehabilitation

Engineering Costs: District Staff
Construction Costs: $92,038

4700 South 5600 West Vault Improvements

Engineering Costs: District Staff
Construction Costs: $95,242

Reservoir Chlorine Boosters

Engineering Costs: $218,400
Construction Costs: $887,258

Jordan Aqueduct/Alpine Aqueduct Blowoff Drains

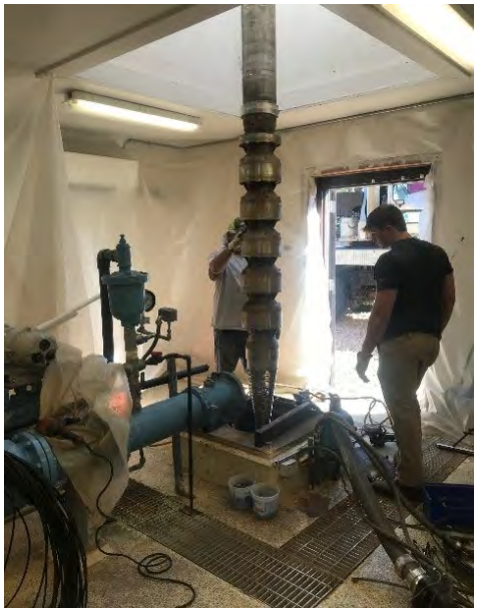
Engineering Costs: District Staff
Construction Costs: $132,270

Prepare for the Future - Capital Improvements

Projects Completed in Fiscal Year 2022/2023

JVWTP Landscaping Improvements

Engineering Costs: District Staff
Construction Costs: $185,807



Deep Well #6 Well Improvements

Engineering Costs: $46,400
Construction Costs: $350,979

SERWTP Fluoride Room Upgrades

Engineering Costs: District Staff
Construction Costs: $321,375

JVWCD headquarters Upper Campus Site & Improvements

Engineering Costs: $436,517
Construction Costs: $1,241,664

Prepare for the Future - Capital Improvements

Projects Completed in Fiscal Year 2022/2023

JVWTP Plant Reclaim Water and Solids Handling Improvements

Engineering Costs: $575,355
Construction Costs: $3,141,899

8518 South 960 East Well Pump Replacement

Engineering Costs: $13,800
Construction Costs: $124,226

Four Well Rehabilitation

Engineering Costs: $78,080
Construction Costs: $1,334,407

2022 Vault Improvement Project

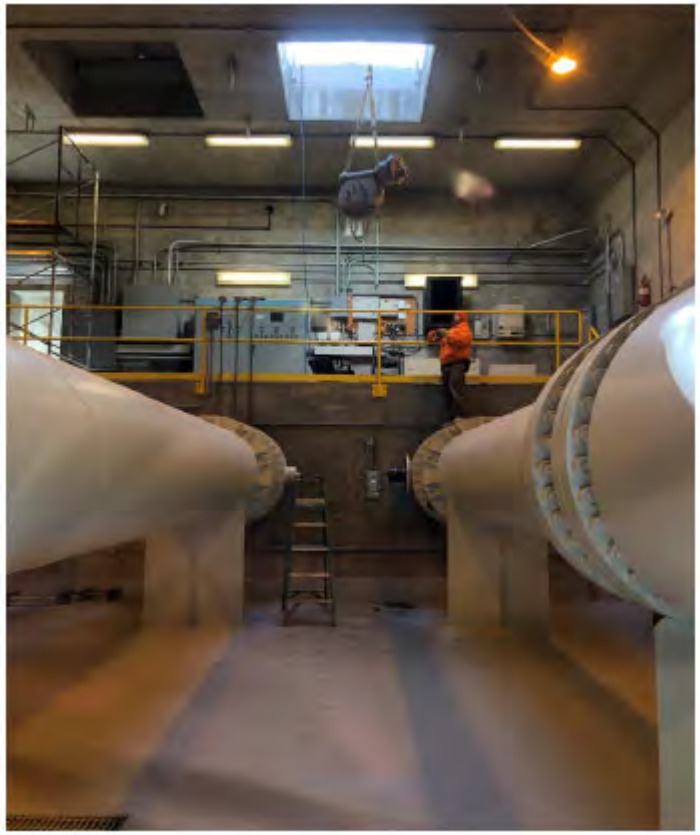
Engineering Costs: $339,747
Construction Costs: $1,798,942

Prepare for the Future - Capital Improvements

Projects Completed in Fiscal Year 2022/2023

Five Concrete Reservoirs Repairs

Engineering Costs: $255,340
Construction Costs: $2,094,174



Point of the Mountain Actuator Replacements

Engineering Costs: District Staff
Construction Costs: $100,930

Prepare for the Future - Capital Improvements

Major Projects in Progress During Fiscal Year 2022/2023

Project	Staff Project Manager
11800 South Zone C Reservoir, #4276	Kevin Rubow
2022 Distribution Pipeline Replacements – Redmaple Area, #4225	Conor Tyson
2023 Vault Improvements, #4241	Travis Christensen
3200 West 6200 South Steel Reservoirs Coating and Repairs, #4271	Marcelo Anglade
3300 South Pipeline Replacement Project, #4190	Kevin Rubow
3300 South Pipeline Replacement Project - Phase 2, #4190	Kevin Rubow
3600 West 10200 South Booster Pump Station, #4199	Travis Christensen
5200 West 6200 South Reservoir, #4231	Travis Christensen
7600 S 700 E and 7800 S 1000 E Well Equipping, #4280	Kevin Rubow
Comprehensive CIP Development Process, #4319	Travis Christensen
Distribution Pipeline Replacement 2023, #4270	Conor Tyson
Etienne Way and Murray Holladay Road Well Equipping, #4286	Travis Christensen
Four Well Redevelopment and Test Pumping Project, #4242	Kevin Rubow
JVWTP Filter and Chemical Feed Upgrades, #4289	David McLean
JVWTP Sedimentation Basins 1-2 Seismic and Capacity Upgrades, #4255	David McLean
Equipment Storage Building at 6898 W. Old Bingham Highway, #4014	Marcelo Anglade
JVWTP Sedimentation Basins Equipment Replacement, #4138/#4277	David McLean
SERWTP Bridging Polymer System Improvements, #4284	Conor Tyson
Zone D Chemical Feed Facility, #4204	Conor Tyson

Prepare for the Future—Strategic Plan

The District's current Strategic Plan has been in place for nearly ten years and has been effective in guiding the District's efforts to continuously improve as it fulfills its mission. In November 2021, General Manager Bart Forsyth began a process to comprehensively update the Strategic Plan, and Assistant General Manager Matt Olsen has managed the work on the Strategic Plan update. The work has included convening an oversight committee consisting of a cross-section of employees across the District, convening sub-committees focused on assessing current performance in the Ten Attributes of Effectively Managed Utilities, and conducting a Strengths, Weaknesses, Opportunities, and Threats exercise with each workgroup and with the Board of Trustees. We plan to present a draft of the updated Strategic Plan during the November Executive Committee meeting and present a final Strategic Plan for approval at the January 2024 Board meeting.

Tagline:

- Delivering quality water and services every day
- Delivering quality every day *(abbreviated)*

Mission:

- We make it possible for our communities to thrive by delivering quality water, advancing conservation, and planning for their water needs.

Vision:

- We believe that all our communities should have access to clean, safe, affordable drinking water. As a team of industry leaders, we are united in creating a resilient water future for those we serve.

RESILIENCY:

- We prioritize our ability to respond to continuously changing circumstances so our employees and communities can prosper.

SAFETY:

- We recognize that the work we do has a direct impact on those we serve. Because of this, we are committed to practices that protect employees, the environment, and the public.

SUSTAINABILITY:

- We care about meeting the water needs of the present without compromising the needs of future generations. In our planning efforts, we prioritize initiatives that promote the most efficient uses of water.

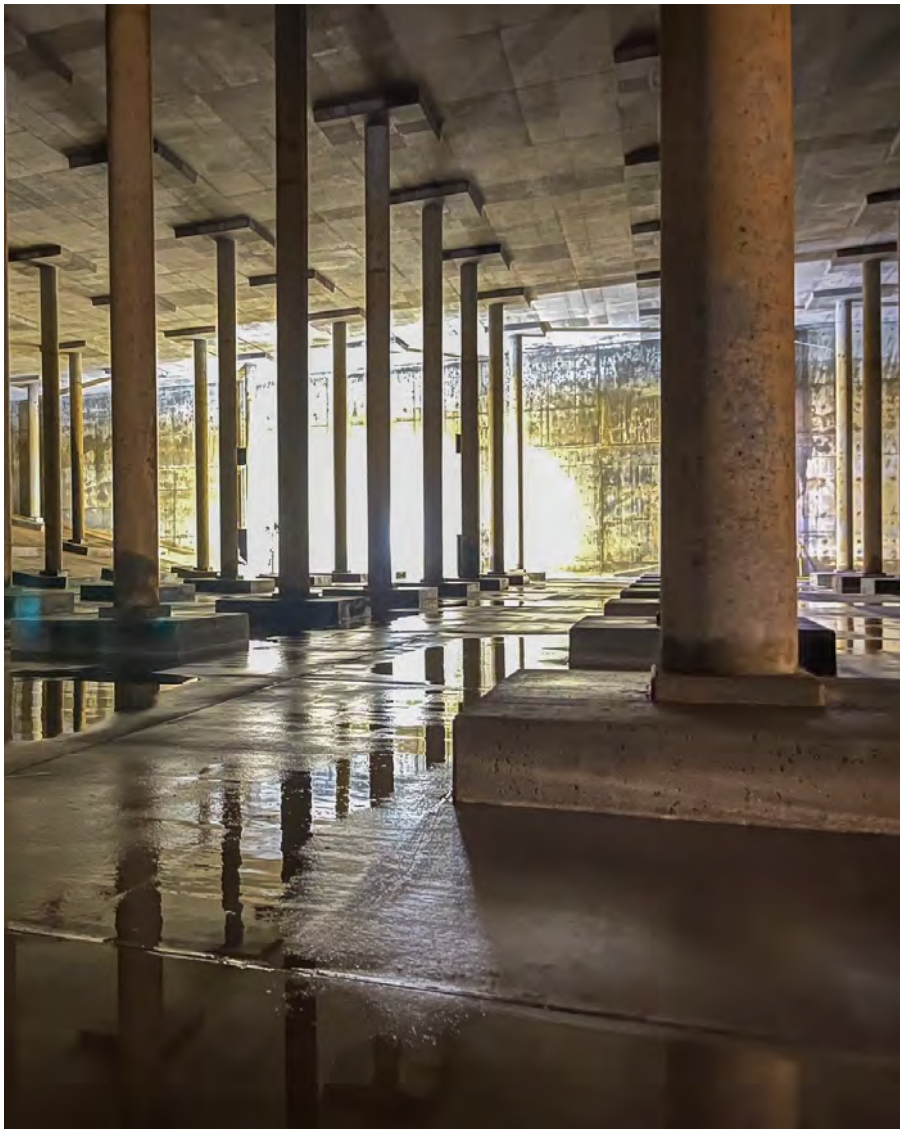
TRANSPARENCY:

- We believe in doing the right thing, individually and as an organization. We are open and accountable as we seek to serve our communities.

UNITY:

- We are strongest when united as a team. We believe in creating a collaborative environment where our communities and employees are invested in achieving shared goals.

Essential Supporting Activities



Financial Report

The financial performance compared favorably to budget as shown in Table 4 where Projected Net Revenue After Debt Service is $13.6MM, exceeding budget by $3.5MM. This is primarily due to operating expenses being lower than budgeted.

Table 4

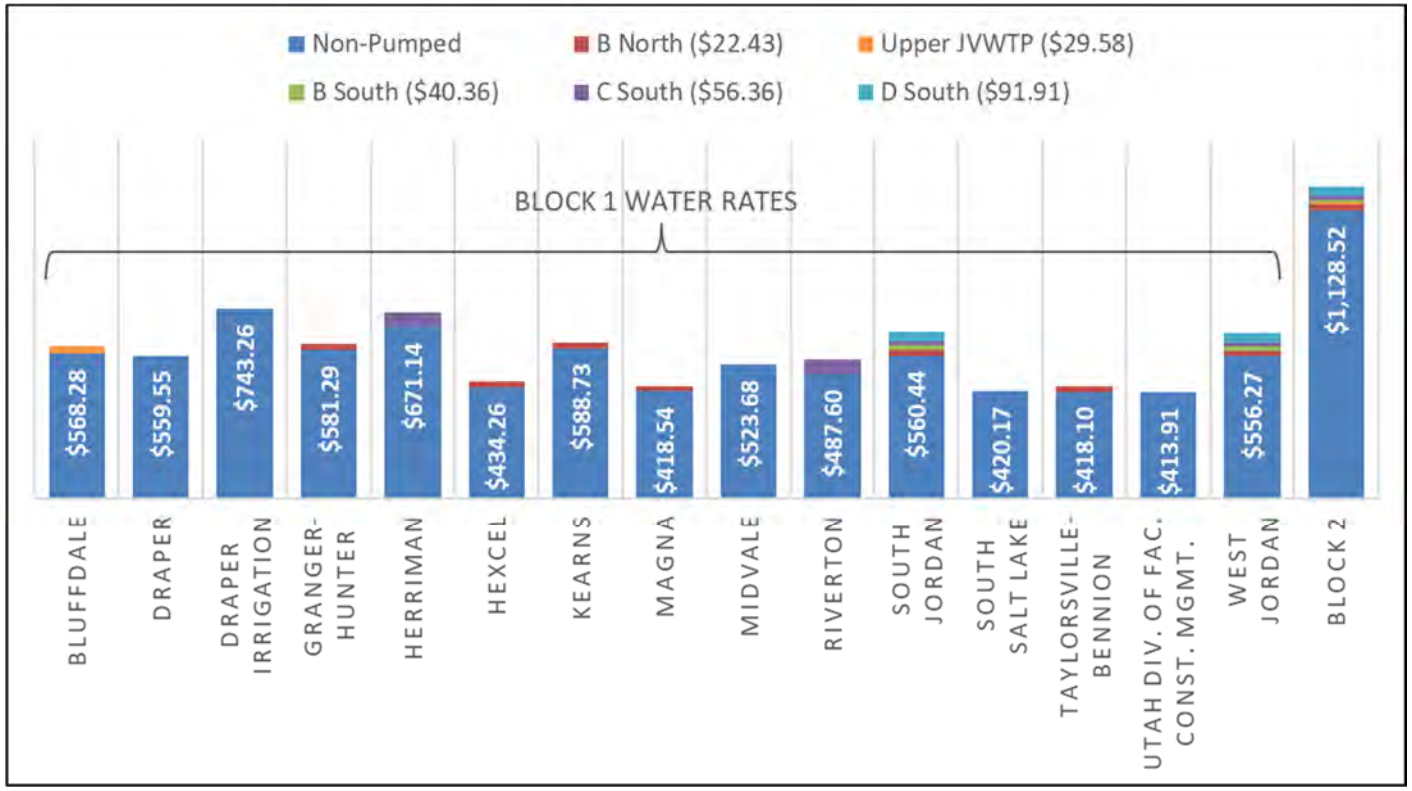
Financial Resources

	FY 2022/2023 **Budgeted** Revenues/ Expenditures		FY 2022/2023 **Projected** Revenues/ Expenditures		Variance to Budget		
REVENUES							
Metered Sales of Water							
- Wholesale	$ 52,554,723	57%	$ 50,652,918	57%	(1,901,805)	96%	-652%
- Retail	6,758,349	7%	6,386,538	7%	(371,811)	94%	-128%
Impact Fees	512,000	0%	205,960	0%	(306,040)	40%	-105%
General Property Tax	25,650,346	29%	26,069,244	29%	418,898	102%	144%
Other - Investment Income, etc.	1,087,300	1%	3,461,331	4%	2,374,031	318%	814%
Other - Misc.	2,243,093	3%	2,321,319	3%	78,226	103%	27%
Total Revenues	**88,805,811**	100%	**89,097,311**	100%	**291,500**	100%	100%
OPERATING EXPENSES							
Water Purchases	18,615,784	35%	18,545,362	35%	(70,422)	100%	2%
Operations and Maintenance	11,621,168	19%	10,092,799	19%	(1,528,369)	87%	47%
General and Administrative	5,728,341	10%	5,072,577	10%	(655,764)	89%	20%
Payroll Related	19,587,691	36%	18,610,148	36%	(977,543)	95%	30%
Total Operating Expenses	**55,552,984**	100%	**52,320,885**	100%	**(3,232,099)**	94%	100%
Net Revenue Available for Debt Service	**33,252,827**		**36,776,426**		**3,523,599**	111%	
Bond Debt Service	23,164,500		23,151,664		(12,836)	100%	
Net Revenues After Debt Service	**$ 10,088,327**		**$ 13,624,762**		**$ 3,536,435**		
Transfer of Revenue Stabilization Fund	8,402,108		8,402,108		-		
Net Revenues	$ 18,490,435		$ 22,026,870		$ 3,536,435		

Financial Report

Figure 10 shows the wholesale Block 1 and Block 2 rates that were approved and adopted. The tentative budget for fiscal year 2023/2024 was adopted on June 7, 2023, with an average water rate adjustment of 5.0%. This follows the last fiscal year of an average water rate adjustment of 3.5%. The Block 2 water rate has been in place for several years and is based on the cost of the Central Water Project supply, the District's newest water supply, using the District's standard rate design methodology.

Figure 10



Financial Report

Table 5 shows the adopted retail water rates for fiscal year 2023/2024 The retail system incurred an overall average 7.52% rate increase.

Table 5

RETAIL SYSTEM (Tiered Rates)	2023/2024 RATES ($/1,000 Gal.)			
	Tier 1 Rate	Tier 2 Rate	Tier 3 Rate	Tier 4 Rate
Non-Pumped	$1.70	$2.56	$3.84	$4.71
Zone C South[1]	1.87	2.73	4.01	4.88
Casto/Upper Willow Creek[2]	2.38	3.24	4.52	5.39

METER BASE CHARGE		TIER THRESHOLDS BY METER SIZE (1,000 Gal.)			
Meter Size	Monthly Amount	Tier 1	Tier 2	Tier 3	Tier 4
5/8"	$3.00	1-6	7-16	17-37	38+
3/4"	3.00	1-9	10-23	24-53	54+
1"	4.00	1-18	19-46	47-106	107+
1-1/2"	5.00	1-36	37-92	93-212	213+
2"	8.00	1-58	59-147	148-339	340+
3"	15.00	1-140	141-359	360-827	828+
4"	25.00	1-257	258-658	659-1516	1517+
6"	50.00	1-515	516-1316	1317-3032	3033+
8"	78.00	1-1024	1025-2617	2618-6031	6032+

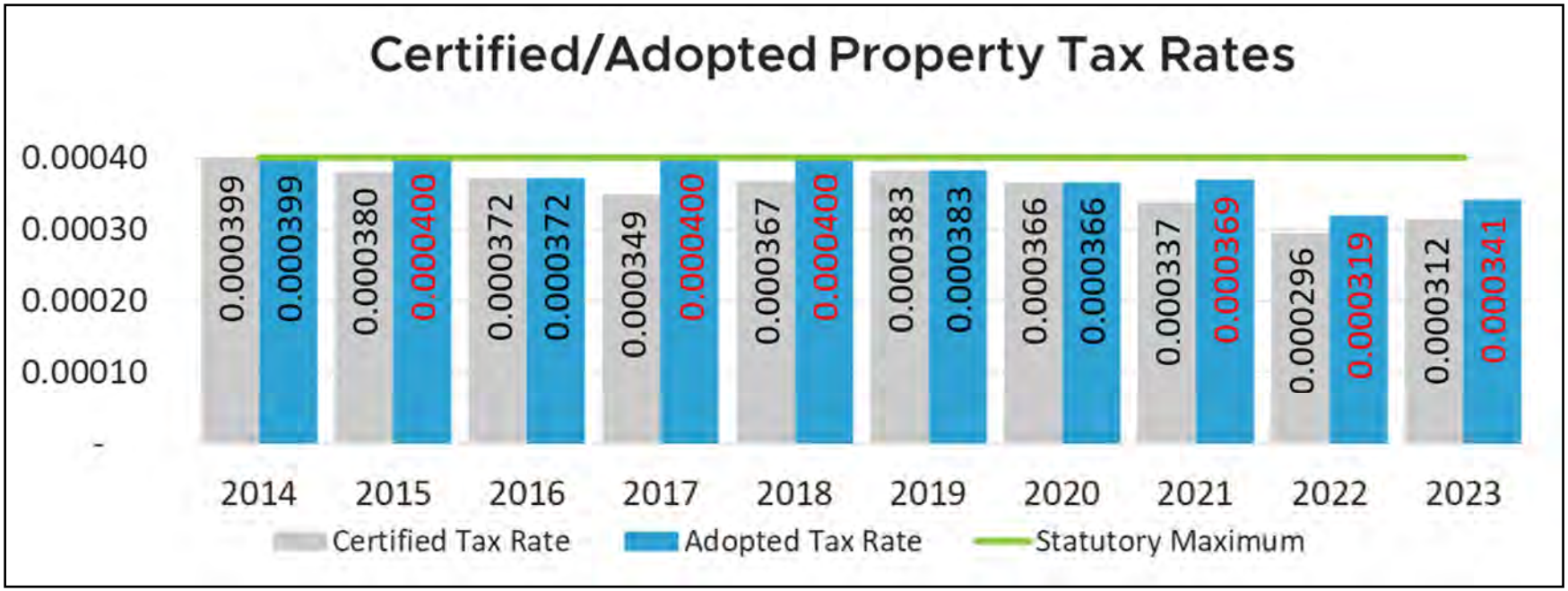
[1] Zone C South includes retail customers in the Riverton Foothills area, w hich rate includes a pump surcharge of $0.17 per thousand gallons.

[2] Casto/Upper Willow Creek area rate includes a pump surcharge of $0.68 per thousand gallons.

Financial Report

As part of the financial plan for fiscal year 2023/2024, the Board decided to approve and adopt a property tax rate that would generate estimated revenue from property taxes of $28,735,600 as shown in the District's adopted tentative budget. The proposed tax rate is 0.000341, which exceeds the certified tax rate of 0.000312. Figure 11 below shows the certified tax rates and adopted tax rates for the last ten years.

Figure 11



Safety Report

Safety Awards

The District received the Award of Merit from the Utah Safety Council for its safety achievements in fiscal year 2022/2023.

Jeff Betton, Safety Manager, receives an Award of Merit from the Utah Safety Council

Safety and Workers Compensation Insurance

EMOD – Experience Modification Factor (EMOD) is a Workers Compensation Insurance premium modifier that is adjusted based on previous loss experience.

- An EMOD can be a reward for a good safety record or a penalty for a poor one. The lower the EMOD, the better you are performing.
- If a company has an EMOD rate above 1.0, their losses were greater than expected compared to other employers in the same industry so they would have to pay a higher premium. The District continues to be below the expected industry average (see Figure 12), and in 2023, maintained an excellent rating of 0.57 which resulted in a $70,206 savings on its premium as shown in Table 6.

Figure 12

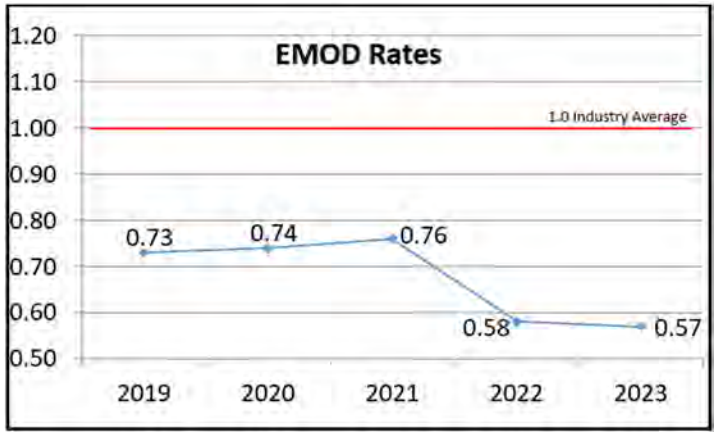
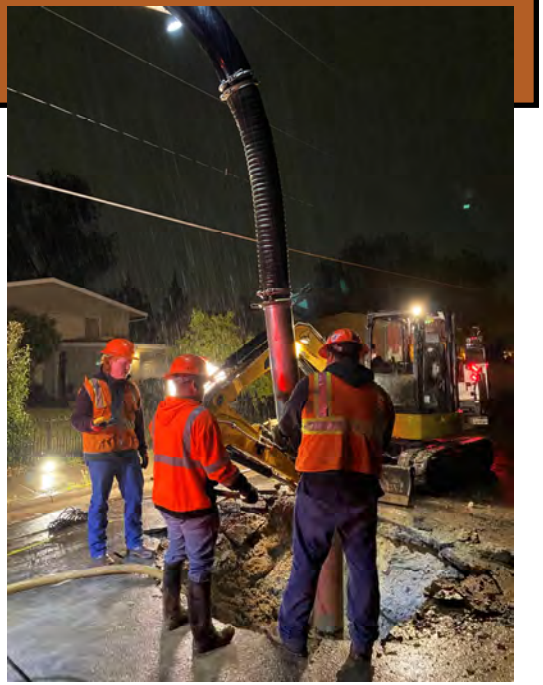


Table 6

YEAR	EMOD	SAVINGS
2019	0.73	$57,987
2020	0.74	$50,284
2021	0.76	$53,773
2022	0.58	$71,686
2023	0.57	$70,206

Safety Report

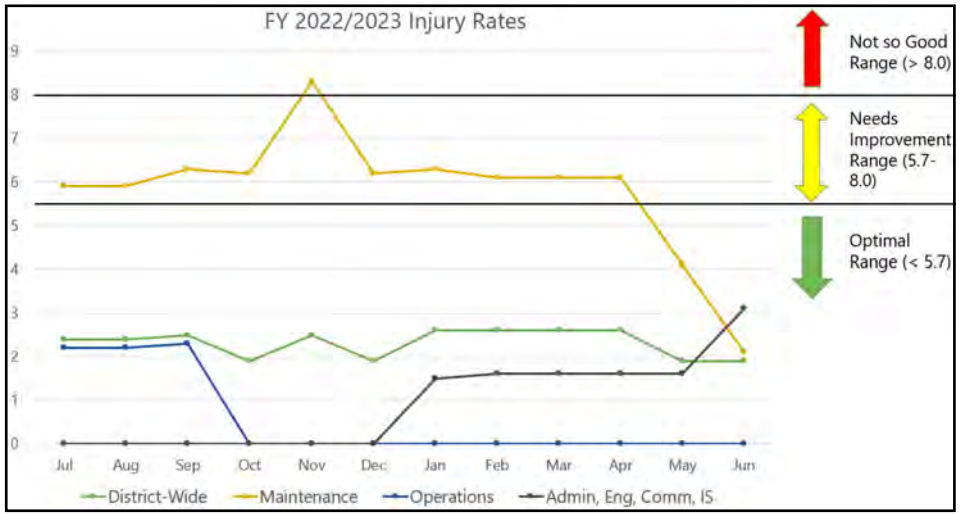


Injury Rate

District staff continued to focus on safety achievements during fiscal year 2022/2023. Jeff Betton, Safety Manager, provided training, safety equipment, and reporting. As a result, the District staff achieved the following low injury rates:

- For the first time ever, the District has gone 14 consecutive fiscal years in the optimal range for OSHA recordable injury incident rates. An incredible commitment to working safely!
- The optimal rate is less than 5.7; the District ended fiscal year 2022/2023 at 1.9 with just three OSHA recordable injuries to report, as shown in Figure 13.

Figure 13

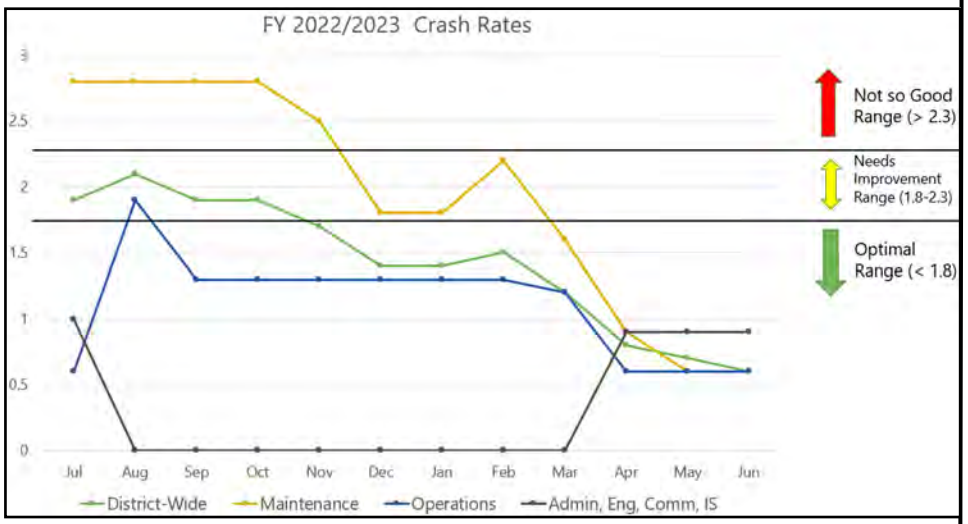


Safety Report

Vehicle Crash Rate

The vehicle crash rate continued to improve during the fiscal year 2022/2023 and finished in the optimal range (see Figure 14). Jeff Betton continues to schedule additional defensive driving courses, train on other crash prevention measures, and stress the importance of using spotters and being more aware of the space around the vehicle to continue to reduce the number of vehicle crashes.

Figure 14



Human Resources Report

In response to difficult economic circumstances in March 2022, the District proposed, and the Board of Trustees approved, a one-time inflation response payment, and that a portion of the July 1, 2022 salary increase be given. On July 1, 2022, District employees were given the remaining portion of the salary increase, which combined with the March increase, totaled 7%. The Board of Trustees also approved a 4% increase to the overall salary structure, effective July 1, 2022.

For the 2022/2023 fiscal year, Human Resources processed a total of 13 new, full-time employees to a variety of District positions across all departments, 52 internal transfers/promotions, 6 retirements, and 26 terminations from District employment.

For fiscal year 2022/2023, the following retirements took place:

Dave Spackman – Elec. & Instrumentation Tech II (36 years of service)

Karen Karriker – Administrative Assistant I (23 years of service)

Linda Townes Cook – Public Information Manager (30 years of service)

Bart Forsyth – General Manager/CEO (37 years of service)

Ken Butterfield – Inspector/Locator II (22 years of service)

Steve Beck – Inspections & Locations Supervisor (33 years of service)

These 6 retirements, coupled with 26 other employees leaving District employment, contributed to a fiscal year turn over rate of 20.65%. Our national labor market continued to be challenging during this fiscal year, and recruitment in entry level positions remained difficult. This turnover did, however, create promotional opportunities for existing employees and highlights the continued need for leadership preparation and succession planning.

Human Resources Report

The System Tours Leadership Program

The Leadership Program offered by system tours is designed to provide employees with a better understanding of the District's operations, as well as to familiarize those who are interested with the water sources, distribution systems, and treatment facilities. The program is conducted four times a year and lasts for two years. The third group started the program in January 2023 and has already learned about several important structures, including the Jordan Aqueduct Reach 4, Olmsted Diversion, Murdock Diversion, JA-4 Flow Control structure, and the Irrigation and Raw water delivery system. Later this year, they will also learn about water sources and systems, followed by the Southwest Groundwater Treatment Plant and a range of wells.

Management and Supervisory Leadership Program—The Management Institute

The organization provides leadership programs to various public utility entities. Their programs, both the basic and advanced sessions, were held virtually and attended by various District employees. They provide topics on ethical leadership, emotional intelligence, change management, collaborating in teams, conflict resolution, and decision making. Sophia Riffo-Jensen, Brad Perez, and Ryan Jeffs attended the basic level program, while Bryan Smith attend the level III program.

ChamberWest Leadership Program

The ChamberWest Leadership Institute is a program that aims to foster professional and personal growth in leaders while encouraging an entrepreneurial mindset in order to create a better community. It covers a range of leadership topics including customer service, team building, and strategic planning. Brad Boren and Clifton Smith attended the program for the fiscal year 2022/2023.

AWWA Management Leadership Program

The American Water Works Association's Intermountain Section offers a leadership program that sees high attendance from District staff. This program offers training to prepare staff for leadership roles and provides opportunities for colleagues in the water industry to interact with one another. Cynthia Bee and Josh Shrewsbury recently attended the program for the fiscal year 2022/2023.

Human Resources Report

District Elective Training

The District Elective Training program offers seven leadership topics that can help employees enhance their skills. Each employee has the freedom to select the topic that suits them best. The program is conducted by upper management and the topics are selected based on the goals and strategic needs of the District.

Throughout fiscal year 2022/2023, the staff attended numerous presentations covering various topics, some of which are listed below.

- Understanding the District's Distribution/Transmission, and GIS systems
- Optimizing District Benefits
- Developing a Career Path
- Building Trust-Based Relationships

As we prepare for the upcoming year, a fresh list of topics has already been selected.

The District is currently evaluating training programs to equip its staff with the necessary skills for success and to meet future demands.

Human Resources Report

Our Tuition Assistance Program is designed to help our employees achieve their educational goals and develop their careers. The program provides financial support to help employees improve their current skills and knowledge, prepare for advancement opportunities, and retain good employees. In the fiscal year 2022/2023, Laina McGinty successfully earned her Bachelor's degree in Business Management through this program. Table 7 displays the degrees obtained by our District employees who have utilized the Tuition Assistance Program since its revamp in 2011.

Western Governors University

THE BOARD OF TRUSTEES OF WESTERN GOVERNORS UNIVERSITY,
UPON THE RECOMMENDATION OF THE FACULTY, HAS CONFERRED UPON

Laina McGinty

THE DEGREE OF

Bachelor of Science
Business Management

WITH ALL THE RIGHTS, HONORS, AND PRIVILEGES THERETO APPERTAINING.
IN WITNESS WHEREOF, THE SEAL OF THE UNIVERSITY AND THE SIGNATURES AS AUTHORIZED BY
THE BOARD OF TRUSTEES, WESTERN GOVERNORS UNIVERSITY, ARE HEREUNTO AFFIXED,
THIS SEVENTH DAY OF APRIL, IN THE YEAR TWO THOUSAND AND TWENTY-THREE.

Human Resources Report

Table 7

Degrees Received During 2011 - 2023				
Employee	**Degree Received**		**Employee**	**Degree Received**
Marcelo Anglade	Certificate in Advanced Project Management		Linda Townes	B.S. - Marketing Management
Ron Kidd	Certificate in Public Administration		Margaret Dea	B.S. - Accounting
Alex Mitchell	A.A. - Business Fundamentals		Matt Hinckley	B.S. - Business Management
Brad Boren	A.S. - General Studies		Ray Stokes	B.S. - Environmental and Sustainability
Glen McIntyre	A.S. - Construction Management		Todd Schultz	B.S. - Business Management
Hayley Shaffer	A.S. - General Studies - Honors		Yvette Amparo	B.S. - Human Resource Management
Troy Tucker	A.S. - General Studies		Bryan Smith	Masters - Business Administration
Yvette Amparo	A.S. - Business - Honors		Clifton Smith	Masters - Business Administration
Abby Patonai	B.S. - Accounting		Jeff Betton	Masters - Business Administration
Bryan Smith	B.S. - Business Management		Marie Owens	Masters - Public Administration
Emilie Bashore	B.S. - Environmental Science		Matt Olsen	Masters - Business Administration
Gordon Batt	B.S. - Environmental and Sustainability		Shazelle Terry	Masters - Public Administration
Hayley Shaffer	B.S. - Business Management		Todd Marti	Masters - Public Administration
Josh McDougall	B.S. - Computer Science - Summa Cum Laude		Todd Schultz	Masters - Business Administration
Keenan Robertson	B.S. - Business Management		Yvette Amparo	Masters - Management and Leadership
Laina McGinty	B.S. - Business Management			

Stakeholder Engagement Report

Before and during the 2023 legislative session, the District worked with its Prep60 partners and legislative consulting team to provide input on a variety of proposed new legislation. Following up on the previous year's session, there were again many impactful water-related bills. The District proactively worked with several key legislators, resulting in many positive outcomes. A summary of noteworthy bills that passed is listed on the next several pages.

Stakeholder Engagement Report

***HB 307: Utah Water Ways* –** (passed)

Sponsor: Rep. C. R. Musselman

Summary: Creates a public/private partnership to promote water conservation throughout the state. Includes $3 million initial and $1 million ongoing funding.

HB 349: Water Reuse Project Amendments – (passed)

Sponsor: Rep. Casey Snider

Summary: Prohibits approval of certain water reuse projects impacting Great Salt Lake. Exceptions to the prohibition include projects based on federal water rights, projects that include water to replace the reuse water, and projects that submit reuse applications to the State Engineer and the Director of Division of Water Quality prior to November 1, 2023.

***HB 491: Amendments Related to Great Salt Lake* –** (passed)

Sponsor: Rep. M. Schultz

Summary: Sets up a commission and appoints a commissioner that has oversight responsibility for all things Great Salt Lake, including coordination of the various branches of state government involvement.

Stakeholder Engagement Report

***SB 34: Water Infrastructure Funding Study* –** (passed)

Sponsor: Sen. D. McCay

Summary: Provides for a study of the use of property tax revenue to fund water infrastructure. Dept. of Natural Resources will oversee the study and will assemble a diverse working group. Report on the study, including recommendations, is required to be submitted to applicable legislative committees by October 2024.

SB 76: Water Amendments – (passed)

Sponsor: Sen. S. Sandall

Summary: Provides additional tools and instruction on coordinating land use and water supply planning. Requires cities and counties to consult with Division of Water Resources in the development of General Plans.

SB 118: Water Efficient Landscaping Incentives – (passed)

Sponsor: Sen. S. Sandall

Summary: Provides State money for water efficient landscaping incentives ($5 million ongoing) and directs Division of Water Resources to develop rules for funding eligibility and coordination with Water Conservancy Districts to administer the incentive program. Available only to property owners within a municipality that has adopted new construction water efficiency standards.

Stakeholder Engagement Report

SB 119: Per Capita Consumptive Use – (passed)

Sponsor: Sen. M. McKell

Summary: Provides for a new metric for measuring per capita use on a consumption basis. Municipal and Industrial water returned to natural systems as treated wastewater and measurable outdoor irrigation return flow is calculated and credited against M&I per capita use. Provides more consistent basis of comparison with other Colorado River Basin states data and focuses attention on reducing net consumption/depletion.

SB 277: Water Conservation & Augmentation Amendments – (passed)

Sponsor: Sen. S. Sandall

Summary: Expands purposes for which Water Infrastructure Restricted Account (WIRA) money can be used to include water reuse, desalinization, dam construction, and water conservation in the Colorado River Drainage Basin. Also provides significant funding ($200 million) for agricultural optimization.

Priority Initiatives for FY 2023/2024

Priority Initiatives for FY 2023/2024

Priority initiatives to complete or achieve progress during FY 2023/2024		
Activity	**Target Completion Date**	**Comments**
1. Develop equitable conditions under which annexation of new lands (e.g., Olympia and RTK lands recently annexed to South Jordan City) will be considered	November 2023	Two significant proposed land developments (Olympia in Herriman City and RTK property in South Jordan City) need to be annexed into JVWCD. Block 2 wholesale rates will apply, and staff is working with property owners and cities on terms of annexation.
2. Complete Strategic Plan Update including new Mission, Vision, Values	January 2024	Staff working to present a draft Strategy Plan Update at November 2023 Board meeting.
3. Establish a template for "stand-by" agreements with contractors for improved emergency response capabilities	June 2024	Establishing agreements with applicable contractors will provide quick access to important equipment resources for better emergency response capabilities.
4. Support federal legislation amending Central Utah Project Completion Act	June 2024	Federal legislation is proposed to amend the Central Utah Project Completion Act to allow previously identified federal funding for specific conservation activities (e.g., wastewater reuse) to be available for any qualifying conservation project (e.g., non-functional turfgrass removal) in the Great Salt Lake basin.
5. Develop knowledge retention and succession planning strategies	June 2024	Detailed strategies for succession planning and knowledge retention will be added as an appendix to JVWCD's new Strategic Plan.
6. Develop new land-use and water supply criteria as guidance for future development and redevelopment decisions	June 2024	The criteria will include identifying the future water supplies available to serve the estimated remaining developable acres currently within JVWCD annexed service area. A second effort to be completed in the following year will be identifying the future water supplies available to serve the estimated developable acres outside JVWCD annexed service area (that are likely to annex in the future). We will use these criteria to help lead the discussion in the state on effective land use and water planning practices.
7. Secure FEMA BRIC grant (est. $40M) for JVWTP Basins 1&2 Project	August 2024	JVWCD has a pending application for FEMA BRIC grant that will provide critical funding to complete the important project.
8. Revise Drought Contingency Plan	August 2024	Refine the DCP based on implementation experience and add new mitigation measure(s) (e.g., Casto of Dry Creek Springs treatment).
9. Complete Water Conservation Plan Update	November 2024	State law requires Water Conservation Plans to be updated every five years. JVWCD plan update is due November 2024.
10. Identify recommended Trustee division boundaries	March 2025	The current trustee division boundaries were established long ago and population growth within JVWCD service area has not been uniform. New division boundaries will be recommended to allocate representation accordingly. Identification of the proposed boundaries by March 2025 will allow for appropriate administrative procedures to be completed in time for appointment and confirmation during the 2026 legislative session.

Future Vision

I'll conclude this General Manager's Report for FY 2022/2023 by sharing the future vision which I presented at a District-wide employee meeting after my appointment to the General Manager position:

- JVWCD employees will be depended on to accomplish meaningful work in delivering, conserving, and developing vital water resources.
- JVWCD employees will have a variety of opportunities for advancement and personal growth.
- The communities we serve, and local and state government policy makers and legislators, will increasingly look to JVWCD to provide authoritative information and solve problems.
- Challenging times, difficult problems to solve—but our team is built to handle this.

JORDAN VALLEY WATER
CONSERVANCY DISTRICT

Delivering Quality Every Day®