

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

(Approved May 3, 2020)

Held April 6, 2020

The Executive Committee meeting of the Board of Trustees of the Jordan Valley Water Conservancy District was held Monday, March 9, 2020, at 3:00 p.m. at the District Administration Office 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 (electronically):

Corey L. Rushton, Chair
Gregory R. Christensen
A. Reed Gibby
Karen D. Lang
Sherrie L. Ohrn
Dawn R. Ramsey
John H. Taylor
Barbara L. Townsend

Trustees Not Present

Lyle C. Summers

Staff Present (electronically):

Bart Forsyth, General Manager/CEO
Matt Olsen, Assistant General Manager
Alan Packard, Assistant 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
David Martin, CFO/Treasurer
Reid Lewis, General Counsel
Kurt Ashworth, Human Resources Manager
Brian McCleary, Controller
Linda Townes, Public Information Manager
Beverly Parry, Executive Assistant
Jess Morgan, Administrative Assistant
Martin Feil, Database Administrator

Welcome

Mr. Corey Rushton, Chair, called the meeting to order at 4:24 p.m. All trustees were present except Mr. Lyle Summers who was excused.

**Review agenda
for April 8,
2020, Board
meeting**

Mr. Rushton asked Mr. Bart Forsyth, General Manager, to proceed with the review of the proposed agenda. Mr. Forsyth reviewed the proposed agenda for the April 8, 2020, regular Board of Trustees meeting. Some of the topics for discussion and consideration included: adoption of Resolution No. 20-14, "Tentatively Adopting JVVCD's Tentative Budget, Financial Plan, and Water Rates for Fiscal Year 2020-2021;" setting public hearing date on May 13, 2020, at 6:00 pm. for proposed fiscal year

2020/2021 budget and water rates; award of construction contract for 6900 South 1300 East Valve Vault Upgrades; approval of cost sharing agreement with South Jordan City for 10200 South Pipeline Project Asphalt Restoration; award of contract for JWTP Chlorine Hoist Repair; approval of expenditure for Provo River Watershed Council workplan; sale of property and grant of temporary construction easement at Terminal Reservoir, 3815 West 5820 South; approval to grant an easement to Rocky Mountain Power at 7000 West 10200 South; approval to cancel the Conservation Committee and Executive Committee meetings scheduled for May 11, 2020; update on response to COVID-19 pandemic; verification of compliance with selected legal requirements and internal District practices; core mission reports; standing committee reports; and various routine reporting items. A closed session was also proposed to discuss the sale or purchase of real property and/or water rights or water shares.

Discussion of District Revenue Sources

Mr. Forsyth presented information on District revenue sources. He said that under Utah Code, water districts are given three sources of revenue: water rates, property taxes, and impact fees. He reviewed how each of these revenue sources are used by the District.

Mr. Dave Martin, Chief Financial Officer, explained why property tax revenues are important to the District. He said it is a stable source of revenue used for operation and maintenance expenses and it supports bonding by strengthening bond ratings and lowering the cost of borrowing, which saves money for the District and its member agencies and retail customers.

Ms. Ohrn asked if having property tax as a revenue source helps the District receive a good bond rating. Mr. Martin said that the District does get a higher bond rating because of the stable revenue through property tax as well as other factors.

Mr. Martin presented a budgeted versus actual comparison of growth of District revenues, variability and unpredictability of water sales revenue, and stability and predictability of property tax revenues for the last twenty years. He also discussed the impact on various water user class if property tax was eliminated from the District’s revenue sources and showed the certified and adopted tax rates for the past twenty years.

Mr. Forsyth reviewed portions of the Water Conservancy District Act (17B-2a-1001) and how creation of water conservancy districts are for public benefit. He then discussed how water is both a commodity and a public good and how property taxes pay for public good benefits.

Mr. Rushton shared how people benefit from past generations hard work and ingenuity and how future water users will benefit from projects the District is now undertaking. He also said as long as the Salt Lake Valley is in high-growth mode, property tax revenues help support that growth. Discussion took place on whether an increase in property tax would be appropriate, considering the present uncertain economic situation, and by what date the decision to increase property taxes needed to be made.

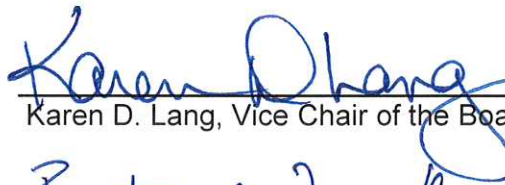
Discuss Meeting with Tooele City

Mr. Alan Packard, Assistant General Manager, said that in December 2019, District staff met with Tooele City officials and discussed the District’s water conservation programs and the District’s ability to import

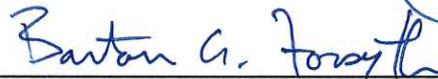
water into the Tooele Valley to support future growth. A follow-up meeting was held with the Tooele City Engineer. The City is currently working on a water master plan, but past plans indicate the City may need in excess of 20,000 acre-feet of new water supplies. The Tooele City Engineer asked about the availability of water from the Bear River Project and the District's plan for future water supplies. The City Engineer suggested the District and Tooele City meet with representatives of Rio Tinto Kennecott (RTK) to clarify water supplies needed when RTK lands are developed. Mr. Packard said that staff will complete a comprehensive update of the need, timing, and plans for the Bear River Project. Mr. Gibby suggested looking to the legislature for funding of the infrastructure needed to provide water to Tooele City.

Adjourn

Mr. Rushton called for a motion to adjourn. Ms. Barbara Townsend moved to adjourn. The meeting adjourned at 5:33 p.m.



Karen D. Lang, Vice Chair of the Board of Trustees



Barton A. Forsyth, District Clerk