

**MINUTES OF THE
HEBER VALLEY SPECIAL SERVICE DISTRICT
MARCH 13, 2025 – 4:00PM**

PRESENT: Heidi Franco Chair
 Brenda Christensen Board Member
 Colleen Bonner Board Member
 Don Huggard Board Member
 Mike Johnston Board Member
 Yvonne Barney Board Member

ALSO PRESENT: James Goodley General Manager
 Bryan Provost HVSSD (electronic participation)
 Eliza McGaha Secretary
 Tina Rodriguez Treasurer (electronic participation)
 Trent Davis HVSSD
 Wes Johnson Midway City
 Susie Becker Zions Bank (electronic participation)

EXCUSED: Celeste Johnson Vice Chair

CONDUCTING: Board Chair, Heidi Franco

PUBLIC COMMENT: This is the public's opportunity to comment on items not on the agenda.

ENTITY UPDATES:

COMMITTEE UPDATES:

AGENDA ITEMS:

1. Consent Agenda
 - a. Balance Sheet February 2025
 - b. Bank Reconciliation February 2025
 - c. P&L February 2025
 - d. PTIF General Fund February 2025
 - e. PTIF Impact Fee Fund February 2025
 - f. Warrant list approval
 - g. February 2025 Board Meeting Minutes
2. 2025 Rate Study Update (Zions Bank 30 minutes)
3. 2024 Budget Reconciliation Discussion (Jim Goodley/Tina Rodriguez 30 minutes)
4. HVSSD Committee Discussion and Assignments (Heidi Franco 30 minutes)
5. 2025 Board Policies Update – Motion to Approve (Jim Goodley 15 minutes)
6. Center Pivot #1 Replacement (Jim Goodley 15 minutes)
7. DHHS Odor Monitoring Equipment Rental – Motion to Approve (Jim Goodley 10 minutes)
8. Special Board Meeting Discussion and Scheduling (Heidi Franco 15 minutes)
9. Manager's Report (Jim Goodley 30 minutes)
10. Closed Session – Discuss Potential Litigation and/or Personnel Matters

Due to technical difficulties the meeting started late.

Heidi Franco called the meeting to order at 4:21 p.m.

PUBLIC COMMENT:

There was no public in attendance and no public comment.

ENTITY UPDATES:

Heidi Franco said the Heber City Council voted last week to not change the annexation map to include the Christensen or the SITLA properties. There is a Memorandum of Understanding (MOU) with the county about it and a meeting on April 1st.

COMMITTEE UPDATES:

Heidi Franco said an update on the Executive Committee will be forthcoming. A discussion of the committees is on the agenda.

AGENDA ITEMS:

1. Consent Agenda

- a. Balance Sheet February 2025
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- f. Warrant list approval
- g. February 2025 Board Meeting Minutes

MOTION: A motion to approve the consent agenda as listed was made by Mike Johnston, seconded by Colleen Bonner. The motion carried with the following vote:

YES: Mike Johnston, Brenda Christensen, Colleen Bonner, Heidi Franco, Don Huggard, Yvonne Barney

NO: None

ABSTAIN: None

ABSENT: Celeste Johnson

2. 2025 Rate Study Update (Zions Bank 30 minutes)

Susie Becker with Zions Bank presented a PowerPoint presentation update of the rate study for 2025. The growth projection is 2024 through 2029 using ERUs and the amount of flow. Seven planned capital projects starting in 2025 through 2029. A three percent construction inflator was added per year in the model. Other model assumptions include projected operating expense growth, impact fee revenue and the 2025 bond. Key metrics are the debt service coverage ratio which must stay above 1.25 and days of cash on hand which is ideally at 180 days and should stay above a minimum of 150 days. Ms. Becker discussed the slides showing five possible projected options with phase-in options 1 and 2 being the most preferable.

A copy of the PowerPoint presentation is available with the board meeting documents shared on the Public Notice Website.

3. 2024 Budget Reconciliation Discussion (Jim Goodley/Tina Rodriguez 30 minutes)

James Goodley gave an update on the ongoing budget reconciliation. In the 2024 budget, capital project expenses and annual operating expenses have been intermingled. Mr. Goodley said he will be meeting with Tina Rodriguez and Ben Probst to get it figured out and reallocate where necessary.

Tina Rodriguez commented that there was some confusion when the previous general manager left, and the new one came in and wanted to simplify the budget. Mr. Goodley and Eliza McGaha are going to review GLs and the invoices each month which will solve the bulk of the allocation issues.

Ms. Franco asked Ms. Rodriguez to send a budget report showing the budget figures for first quarter 2025 to all the board members. She would like to see that report quarterly.

4. HVSSD Committee Discussion and Assignments (Heidi Franco 30 minutes)

Heidi Franco said the water return flow committee and the farm committees were removed/deleted when the board policies were updated and approved last fall. She asked the board to consider pausing the safety committee and the negotiations committee until such time that they are needed. That would leave the executive finance committee and the personnel committee, which need to be kept and used.

Ms. Franco asked for volunteers and Colleen Bonner, Brenda Christensen, and Yvonne Barney volunteered to be on the personnel committee. This committee will look at what we currently have, what is needed, and bring an updated personnel policy back to the board later this year.

MOTION: A motion to approve the update to the personnel committee was made by Don Huggard, seconded by Colleen Bonner. The motion carried with the following vote:

YES: Mike Johnston, Brenda Christensen, Colleen Bonner, Heidi Franco, Don Huggard, Yvonne Barney

NO: None

ABSTAIN: None

ABSENT: Celeste Johnson

5. 2025 Board Policies Update – Motion to Approve (Jim Goodley 15 minutes)

In section 8 of the Board Policies, it was suggested to add the word "General" to the term Manager in reference to the manager's authority for approving financial contracts, and to add the following: "The General Manager shall have purchasing authority to approve purchases of up to \$15,000 without Board approval. All purchases above \$15,000 require Board approval." Mr. Goodley explained that the smaller purchases are immediate and unplanned and not previously budgeted for and is the reason for this addition.

Heidi Franco added that Mr. Goodley currently is not a signatory to the district's PTIF funds, and he should be. As a signatory he will get notifications of all activity with our PTIF funds. Ms. Franco asked to have the following wording also added to this section: "The manager is a signatory to the PTIF funds, and he has to sign off on all PTIF deposits and withdrawals."

MOTION: A motion to approve the changes to page 8 on the HVSSD board policies and that we add in one more sentence where those changes are on page 8, that the manager is a signatory to the PTIF accounts to receive notifications on deposits and withdrawals was made by Heidi Franco, seconded by Colleen Bonner.

DISCUSSION: Heidi Franco asked Jim Goodley and Tina Rodriguez if they had any other concerns about this. Mr. Goodley did not. Ms. Rodriguez said she would see what needed to be done to get Mr. Goodley added.

The motion carried with the following vote:

YES: Mike Johnston, Brenda Christensen, Colleen Bonner, Heidi Franco, Don Huggard, Yvonne Barney

NO: None

ABSTAIN: None

ABSENT: Celeste Johnson

6. Center Pivot #1 Replacement (Jim Goodley 15 minutes)

Mr. Goodley explained that we would like to get this project done before irrigation season starts. This capital project was rolled into the Zions bond. Most of that bond money was for the dredging and aeration of the lagoons but it also included the pivot replacement. We would like to place the order soon but don't have the bonding money in place.

Mr. Goodley said we want to sole source procurement of a Valley pivot sold by Mountainland Supply Company so it will match the other eight pivots. He said Martha Wingate, legal counsel, said that it is fine, but we need to advertise it on the public website for a period with an explanation that we are procuring it because it matches existing equipment.

It was discussed that the money will be borrowed from the PTIF general fund and paid back when the bond is issued.

MOTION: A motion to accept the bid from Mountainland for the pivot line manufactured by Valley and it's a single source in our area, we believe. I am going to make a motion that we approve this invoice for \$209,915 to be ordered and paid for after we post the advertisement on the state website, which Jim will do, and that we are going to borrow these funds from our general PTIF fund and that they will be paid back when we have our bond issued or no later than January of 2027 was made by Colleen Bonner, seconded by Mike Johnston. The motion carried with the following vote:

YES: Mike Johnston, Brenda Christensen, Colleen Bonner, Heidi Franco, Don Huggard, Yvonne Barney

NO: None

ABSTAIN: None

ABSENT: Celeste Johnson

Mike Johnston left the meeting at 5:21 p.m.

7. DHHS Odor Monitoring Equipment Rental – Motion to Approve (Jim Goodley 10 minutes)

Mr. Goodley explained this agenda item. The DHHS odor monitoring equipment rental is in the amount of \$9094.40 for two sensors. They will be delivered to DHHS. The district will pay the bill and DHHS will set up the instruments, gather the data and work with the rental agency to get it all coordinated. They have asked us to help with the cost. The monitors will be monitoring the concentration of hydrogen sulfide gas out of the plant. One monitor will be placed at the plant, and one will be placed out in the community where they are experiencing odors.

MOTION: A motion to approve the \$9094.40 for the rental of the two DHHS monitors was made by Don Huggard, seconded by Brenda Christensen. The motion carried with the following vote:

YES: Brenda Christensen, Colleen Bonner, Heidi Franco, Don Huggard, Yvonne Barney

NO: None

ABSTAIN: None

ABSENT: Celeste Johnson, Mike Johnston

8. Special Board Meeting Discussion and Scheduling (Heidi Franco 15 minutes)

Heidi Franco explained that the district's new attorney asked to have a special board meeting scheduled for discussion of litigation. That meeting will be on Monday, April 7, 2025, at 4:00 p.m.

9. Manager's Report – (Jim Goodley-30 mins)

Mr. Goodley presented his manager's report.

10. Closed Session (Optional) – Discuss Potential Litigation or Personnel Matters

MOTION: A motion to go into closed session was made by Don Huggard, seconded by Brenda Christensen. The motion carried with the following vote:

YES: Brenda Christensen, Colleen Bonner, Heidi Franco, Don Huggard, Yvonne Barney

NO: None

ABSTAIN: None

ABSENT: Celeste Johnson, Mike Johnston

The board moved into a closed session at 6:18 p.m.

MOTION: A motion to move out of the closed session and adjourn the board meeting was made by Brenda Christensen, seconded by Colleen Bonner. The motion carried with the following vote:

YES: Brenda Christensen, Colleen Bonner, Heidi Franco, Don Huggard, Yvonne Barney

NO: None

ABSTAIN: None

ABSENT: Celeste Johnson, Mike Johnston

The meeting was adjourned at 7:44 p.m.

APPROVED on this 10th day of April, 2025

Heidi Franco
Heidi Franco, Chair

Eliza McGaha
Eliza McGaha, Secretary