

**MINUTES OF THE REGULAR MEETING OF THE
BOARD OF TRUSTEES OF THE SOUTH DAVIS WATER DISTRICT
HELD MAY 10, 2023 AT THE DISTRICT OFFICE
LOCATED AT 407 WEST 3100 SOUTH, BOUNTIFUL, UTAH**

Trustees Present:

M. Jerry Hawley	Chairman
Ron Mortensen	Trustee
Kathy Thurston	Trustee

Also present:

Jake M. Ferguson	Manager
Tracie James	District Clerk
Greg Smith	Resident
Rachel Anderson	District's Attorney

The meeting was called to order by Trustee Hawley at 4:32 p.m., after which he welcomed all those present.

Minutes of Previous Meeting:

Trustee Mortensen moved that the minutes from Apr. 12, 2023, be approved as written. Trustee Thurston seconded the motion. The motion carried with Trustees Hawley, Mortensen and Thurston voting "aye".

Expenditures Update:

The expense report for April was reviewed. Trustee Thurston moved that the expenses for April be ratified and approved. Trustee Mortensen seconded the motion. Trustee Mortensen would like Ms. James to contact Colonial Flag to make sure that they don't provide the District with the new Utah State flag until it is required in March of 2024. The motion carried with Trustees Hawley, Mortensen and Thurston voting "aye".

Legislative Update by Rachel Anderson of the law office Fabian VanCott:

Rachel Anderson, the District's attorney, presented House and Senate Bills that passed during the 2023 legislative session, that may affect the District:

*HB 33-Facility Liability

Addresses the liability of an owner or operator of a water facility. No strict liability will be imposed provided the owner performs reasonable ordinary care and maintains their facility.

*HB 150-Emergency Water Shortage Amendments due to earthquakes or flooding.

This bill gives a method for water to be utilized outside of the typical priority system as set by the State of Utah. This bill also provides a framework that must be followed to determine damages and losses be paid to the impacted water right holder should their water need to be used in an emergency.

*SB 134-Water Infrastructure Funding Study

This bill addresses the use of property tax revenue for water. It directs the Department of Natural Resources to: study the use of property tax revenue to fund water infrastructure, treatment, and delivery; and make recommendations for future funding; and requires the department to submit a written report to the Natural Resources, Agriculture, and Environment Interim Committee and the Revenue and Taxation Interim Committee on or before October 30, 2024.

*SB 53-Ground Water Use Amendments

Expands the ability for entities under a ground water management plan to be able to have an aquifer recharge project.

*SB 251-Secondary Water Metering Requirements

This bill lessens the penalty for secondary water systems that have not completed installing meters on every connection by 2030. The original metering requirement financially penalized a secondary water supplier by making them pay \$10 to \$50, for each and every connection within the system. The new bill imposes the \$10 to \$50 fine only for each un-metered connection. Another major addition to this bill is a water system who received grant money to help cover the cost of secondary water metering may use the grant money appropriated for metering to fund a project that is an alternative to metering such as lining ditches or improving head gates, if the secondary water supplier establishes, to the satisfaction of the Board of Water Resources, that the alternative project will conserve more water than was expected to be conserved through metering.

*HB 538-Water Usage Amendments

This bill did not pass. Bans outdoor watering of lawns from Oct. 1-April 25. Any water saved during this time would be required to go to the Great Salt Lake.

*SB76-Water Amendments

Establishes requirements on municipal and county planning commissions to consult with the Division of Water Resources in the development of general plans regarding water conservation goals.

*SB 118-Water Efficient Landscape Incentives

Authorizes the Division of Water Resources to issue grants to water conservancy districts to provide incentives to property owners to remove turf or lawn and replace it with water wise landscaping.

*HB 131-Vaccine Passport Amendments

Places of public accommodation or governmental entities may not withhold services or employment based on an individual's vaccine status.

*HB 506-Government Entity Compliance Amendments-

This bill permits the State Auditor, upon request of a legislator, to conduct an inquiry into whether a governmental entity has complied with legal requirements imposed by legislation.

*HB 512-Elected Official Education

This bill requires the Utah Legislature to host an annual summit to educate and train local elected officials in Utah.

*SB 96-Fiduciary Duty Modifications

This bill requires special districts to invest funds in accordance with the "prudent investor rule".

*SB 97-Public Notice Requirements

This "anti-boycott" bill prohibits a public entity from entering in to a contract with a company that engages in certain boycott actions.

*SB 127-Cybersecurity Amendments

This bill requires public entities to contact the newly created Utah Cyber Center as soon as practicable if the entity becomes aware of a breach of system security and requires all governmental entities to use a .gov website domain.

*SB 231-Governmental Records Access Management Act Amendments

This bill requires a governmental entity to conduct a reasonable search for a record, which is defined as "a search that is reasonable in scope and intensity, but not unreasonably burdensome for the entity." The bill also enacts a provision establishing a process for governmental entities to petition for relief against a vexatious requester. The bill requires that a bidder who makes a claim of "business confidentiality" must indemnify the governmental entity in an action arising from the governmental entity's denial of access to the record.

*SB 245-Closed Meeting Amendments

This bill adds a new item to the list of topics that may be discussed in a closed meeting. Closed meeting discussions may now include consideration of a loan application if the public discussion of the loan application would disclose certain nonpublic information.

Consider a Motion to Have the Customer Making a Credit Card Payment Pay the Transaction Fee Charged by the Credit Card Company, Rather Than Having the District Cover Those Fees:

After a brief discussion, it was motioned by Trustee Mortensen that the District pass on the 3% credit card transaction fee to the customer who chooses to use their credit card to pay their water bill. Trustee Thurston seconded the motion. The motion carried with Trustees Hawley, Mortensen and Thurston voting "aye". Trustee Mortensen requests that the fee be imposed in a manner that allows office staff to provide proper notice to District customers who are currently set up on auto-pay to pay with their credit card.

Manager's Report:

Update on the Progress of Secondary Metering:

Mr. Ferguson reported that some secondary water providers who have installed secondary irrigation water meters in the off-season, are having leak issues when they turn on in the Spring, including flooding and property damage.

Mr. Ferguson reported that he and other water managers attended a "Bountiful Sub-Area of the East Shore Area of Southern Davis County" meeting with the State Division of Water Rights on April 24th. There are 89,696-acre feet of "paper" ground water rights and 68,725-acre feet of "paper" surface water rights in this area of the aquifer. It is estimated that there is only 26,000-acre feet of water available to recharge the aquifer. There will be no new water appropriations. The State is performing a study of the aquifer, and may need to do a new ground water management plan. SB 251 provides an exemption to irrigation water metering for those water providers who have a ground water management plan in their area after 2006. Mr. Ferguson will be meeting with the State Engineer to discuss the possibility of the District receiving an exemption from irrigation water metering since it is very possible that there will be a new ground water management plan in the District's area sometime in the near future.

Construction and Maintenance Projects:

Mr. Ferguson reported that the 725 West water line replacement project is about 50% complete. North Salt Lake City had planned to repave 725 West in 2025, but now that the road is dug up and will require an asphalt patch from the District's water line replacement project, North Salt Lake City is considering repaving the road as soon as the District is done with the project. North Salt Lake City would like the District to write up a change order with the District's contractor, Strong Excavation, to add the repaving of the road to the contract which North Salt Lake City will pay for. Strong Excavation would then perform-or hire a sub-contractor to perform-the repaving of the road. All CDBG Grant qualifications would be required to be followed, since the District received the CDBG Grant to perform this project.

Mr. Ferguson reported that the District's audit is almost completed. So far, the audit looks great, with no negative findings. The audit firm, WSRP, will report to the Board at the next board meeting.

Mr. Ferguson reported that the District knows of 2 residents who have built either a garage or an RV pad on top of the District's main line. The District's attorney, Rachel Anderson, is going to check into what needs to be done to add this notice to the resident's property title so that if the property is sold in the future the new buyer knows that these structures were built in an easement. The property owner will be responsible for any damages to the resident's structure, and the cost to remove the structure should the District need to access the main line.

Mr. Ferguson reported that the District's culinary tanks will be cleaned and inspected at the beginning of June.

The District had no problems with the charge up of the irrigation system this year. District personnel did a fantastic job of closing all drain valves and generally preparing for the irrigation season.

Water Outlook:

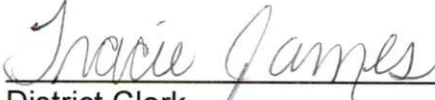
Mr. Ferguson reported that the Weber Basin drainage area is at 303% of normal. It is estimated that the Great Salt Lake will rise 6 feet this year. Mr. Ferguson reported that the North Canyon Creek is producing around 4 cubic feet per second and the District has been able to keep 3 of the 4 irrigation reservoirs full from North Canyon Creek.

Closed Session:

Under UCA52-4-205 it was motioned by Trustee Mortensen and seconded by Trustee Thurston that the meeting be closed to discuss the character and/or competency of an individual. The motion carried with Trustees Hawley, Mortensen and Thurston voting "aye".

The meeting closed at 5:43 p.m.
The meeting re-opened at 6:11 p.m.

There being no further business, the meeting adjourned at 6:11 p.m.



District Clerk

CLOSED MEETING AFFIDAVIT

STATE OF UTAH)
 :SS.
COUNTY OF DAVIS)

Having first been duly sworn, comes now M. Jerry Hawley, who deposes, states and affirms as follows:

- 1) I am a duly elected member of the Board of Trustees of the South Davis Water District (the "District").
- 2) A meeting of the District Board was held on May 10, 2023.
- 3) I presided over the District Board meeting.
- 4) During the course of the meeting, upon the affirmative vote of at least two-thirds of the Trustees, a quorum being present, the meeting was closed for the sole purpose of discussing: (Please check appropriate blank(s).)

the character, professional competence, or physical or mental health of one or more individuals; and/or

the deployment of security personnel, devices or systems and/or

Further Affiant sayeth naught.

M. Jerry Hawley
Signature

SUBSCRIBED AND SWORN to before me this 10 day of May, 2023.

Inacie James
Notary Public District Clerk