

WASATCH PEAKS RANCH UTILITY DISTRICT

4175 N Morgan Valley Drive
Morgan, UT 84050

NOTICE OF REGULAR MEETING AND AGENDA

DATE: Tuesday, August 22, 2023
TIME: 5:30 p.m.
LOCATION: Bar W Lodge
4175 N Morgan Valley Drive
Morgan, UT 84050

You can also attend the meeting in the following ways:

- 1. Online Microsoft Teams Meeting via link below:

ACCESS: https://teams.microsoft.com/l/meetup-join/19%3ameeting_MTc0ZTMyNTetYTNIZS00YmZkLTkyYzMtYTFIN2FmNmY2YzY5%40thread.v2/0?context=%7b%22Tid%22%3a%223e95e77c-c839-42d7-a767-aac8531785ff%22%2c%22Oid%22%3a%2202bbcf16-6e6d-4e0a-b995-c32f747a24c3%22%7d

Meeting ID: 7225 969 653 610
Passcode: Guje6i

BOARD OF TRUSTEES
Gary Derck
Vance Bostock
Ed Schultz

PUBLIC NOTICE is hereby given that the Board of Trustees (the “Board”), of WPR Utility District (the “District”), will hold a meeting of the Board on Tuesday, August 22, 2023, commencing at 5:30 p.m., at the Bar W Lodge located at 4175 N. Morgan Drive, Morgan, Utah, 84050 and via Microsoft Teams, at which time the Board shall proceed according to the following agenda:

I. ADMINISTRATIVE MATTERS

- A. Call to order and approval of agenda.
- B. Confirm quorum, location of meeting and posting of meeting notices.

- C. Public comment.

Members of the public may express their views to the Board on matters that affect the District that are otherwise not on the agenda. Comments will be limited to three (3) minutes per person.

- D. Discuss 2024 Board meeting schedule.

II. FINANCIAL MATTERS

- A. Review and consider acceptance of Unaudited Financial Statements as of June 30, 2023 (enclosed).
- B. Review and consider approval and ratification of claims (enclosed).

III. MANAGER MATTERS

IV. OPERATIONAL MATTERS

- A. Review and consider approval of Interlocal Agreement Providing for Joint Consulting Engineering Services by and between the District and the WPR Road and Fire District (enclosed).
- B. Review and consider approval of Resolution No. 2023-08-01 Authorizing the Execution of the Interlocal Agreement Providing for Joint Consulting Engineering Services (enclosed).
- C. Review and consider adoption of Resolution No. 2023-08-02 Requiring the Execution of Public Infrastructure Annexation Consent Forms as a Condition to Issuance of Will-Serve Letters Required for Lot Owner Building Permit Applications (enclosed).
- D. Discuss residential sewer and water inspections.
- E. Discuss Will-Serve Letters and addressed entities.

V. LEGAL MATTERS

VI. BOARD MEMBER MATTERS

VII. OTHER BUSINESS

VIII. ADJOURNMENT

[This notice to be posted at the District office, published on the Utah Public Notice Website, and a copy sent to the Ogden Standard Examiner at least 24 hours prior to the meeting.]

District Clerk

WASATCH PEAKS RANCH UTILITY DISTRICT

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June 30, 2023
Financial Highlights
As of August 10, 2023

Listed below are some noteworthy items as they relate to the June 30, 2023 Financial Statements of the District:

- In fiscal year 2023, the District collected \$44,552 in tax revenue. This exceeded the annual budget by \$21,745 due to uniform fees on personal property which are collected by the County and remitted to the District on a monthly basis. The budget did not include an amount for uniform fees.
- The District budgeted \$146,000 for water and sewer connection & service fees. Due to the timing of development, no connection fees were charged in 2023. Service fees were charged to the WRP Club for snowmaking in the amount of \$11,341.
- Total expenditures for the year were \$88,870 compared to an annual budget of \$1,209,660. The primary variances are as follows:
 - District insurance costs came in at \$2,559 which was \$5,531 under budget. The insurance primarily covered general liability and did not include coverage for property or water/sewer systems.
 - District management services totaled \$9,137 which is reflected as a negative variance, however the other professional services budget of \$15,000 covers the district management costs.
 - Utilities totaled \$47,307 and consists primarily of Rocky Mountain Power electricity charges for the water operations which was not budgeted in fiscal year 2023.
 - The District budgeted \$1,100,000 for the Weber Basin contract. This contract was paid by the Developer in FY23 and has not yet been recognized by the District for potential future reimbursement. The District may consider recognition of this cost in FY24 or future years.
 - Additional water and sewer operations expenditures were budgeted, including a water operator contract and Mountain Green contract, but no costs were incurred in the fiscal year due to the timing of when the District will take over ownership and maintenance responsibilities for the water and sewer system.
- The District recognized Developer advances of \$51,264 in FY23 which consists of costs paid directly by the Developer for utilities, website, and software costs. Although reported as a revenue on the fund basis statements, this amount constitutes a long-term liability of the District and is eligible for reimbursement in the future with available revenues.

WASATCH PEAKS RANCH UTILITY DISTRICT
FINANCIAL STATEMENTS
JUNE 30, 2023

WASATCH PEAKS RANCH UTILITY DISTRICT
 BALANCE SHEET - GOVERNMENTAL FUNDS
 JUNE 30, 2023

		General
ASSETS		
Cash - Checking	\$	64,646
Accounts receivable		11,341
Receivable from County Treasurer		1,143
TOTAL ASSETS	\$	77,130
LIABILITIES AND FUND BALANCES		
CURRENT LIABILITIES		
Accounts payable	\$	13,978
Total Liabilities		13,978
FUND BALANCES		
Total Fund Balances		63,152
TOTAL LIABILITIES AND FUND BALANCES	\$	77,130

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures and changes in fund balances – governmental funds have been omitted

WASATCH PEAKS RANCH UTILITY DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE TWELVE MONTHS ENDED JUNE 30, 2023

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GENERAL FUND

	Annual Budget	Year to Date Actual	Variance
REVENUES			
Property taxes	\$ 22,807	\$ 44,552	\$ 21,745
Water service fees	66,000	11,341	(54,659)
Water connection fees	40,000	-	(40,000)
Sewer connection fees	40,000	-	(40,000)
TOTAL REVENUES	<u>168,807</u>	<u>55,893</u>	<u>(112,914)</u>
EXPENDITURES			
Accounting	14,500	11,071	3,429
Software	-	468	(468)
Dues and membership	-	786	(786)
Insurance	8,090	2,559	5,531
District management	-	9,137	(9,137)
Other professional fees	15,000	1,560	13,440
Legal	20,000	13,434	6,566
Utilities	-	47,307	(47,307)
Operation supplies	-	150	(150)
Weber Basin annual water contract	1,100,000	-	1,100,000
Contract water operator	27,000	-	27,000
SCADA system O&M	2,000	-	2,000
Mountain Green SID contract	15,450	-	15,450
200 ERU standby	4,120	-	4,120
Auditing	1,500	-	1,500
Miscellaneous	-	982	(982)
Banking fees	-	366	(366)
Engineering	2,000	1,050	950
TOTAL EXPENDITURES	<u>1,209,660</u>	<u>88,870</u>	<u>1,120,790</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(1,040,853)</u>	<u>(32,977)</u>	<u>1,007,876</u>
OTHER FINANCING SOURCES (USES)			
Developer advance	1,040,853	51,264	(989,589)
TOTAL OTHER FINANCING SOURCES (USES)	<u>1,040,853</u>	<u>51,264</u>	<u>(989,589)</u>
NET CHANGE IN FUND BALANCES	<u>-</u>	<u>18,287</u>	<u>18,287</u>
FUND BALANCES - BEGINNING	<u>-</u>	<u>44,865</u>	<u>44,865</u>
FUND BALANCES - ENDING	<u>\$ -</u>	<u>\$ 63,152</u>	<u>\$ 63,152</u>

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures and changes in fund balances – governmental funds have been omitted.

WPR Utility District
 Schedule of Developer Funding
 Updated as of June 30, 2023

<u>Summary of Developer Funding:</u>	<u>Operations Fund</u>
Administrative expenditures FY23	\$ 2,060.77
Legal services FY23	1,896.75
Utilities FY23	47,306.73
Totals	\$ 51,264.25
<u>Amounts not yet recognized:</u>	
Weber Basin 2019 contract	\$ 1,012,470.00
Weber Basin 2020 contract	1,022,470.00
Weber Basin 2021 contract	1,061,222.50
Weber Basin 2022 contract	1,046,573.75
Weber Basin 2023 contract	1,108,400.00
Totals	\$ 5,251,136.25

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures and changes in fund balances – governmental funds have been omitted

WPR Utility District
Interim Claims
May 19, 2023 - August 17, 2023

Process Date	Vendor	Payment Method	Amount
6/7/2023	Aqua Engineering	BILL Check	\$ 210.00
6/7/2023	CliftonLarsonAllen LLP	BILL Check	6,471.64
6/7/2023	Clyde Snow & Sessions	BILL Check	5,644.00
6/7/2023	Streamline	BILL Check	100.00
8/10/2023	Aqua Engineering	BILL Check	630.00
8/10/2023	CliftonLarsonAllen LLP	BILL EFT	7,581.76
8/10/2023	Clyde Snow & Sessions	BILL Check	1,819.75
8/10/2023	Streamline	BILL Check	50.00
8/10/2023	Utah Local Government Trust	BILL Check	3,000.00
		Grand Total	<u>\$ 25,507.15</u>

FIRST DISCUSSION DRAFT – 27 July 23 (DBR)

INTERLOCAL AGREEMENT
Providing for Joint Consulting Engineering Services

THIS INTERLOCAL AGREEMENT (“*Agreement*”), is made and entered into as of this _____ day of _____, 2023 (the “*Effective Date*”), pursuant to authority of the Interlocal Co-Operation Act, §11-13-1, *et seq.*, U.C.A., 1953, as amended, by and between the **WPR Utility District**, a special district organized and existing pursuant to the provisions of § 17B-1-101, *et seq.*, U.C.A., 1953, as amended (hereinafter the “*The Utility District*”), and **WPR Road and Fire District**, a special district organized and existing pursuant to the provisions of § 17B-1-101, *et seq.*, U.C.A., 1953, as amended (hereinafter the “*R&F District*”). The Utility District and the R&F District are sometimes referred to herein individually as a “*Party*” and collectively as the “*Parties.*”

RECITALS:

WHEREAS, the Utility District and the R&F District (sometimes referred to herein individually as a “*District*”) and collectively as the “*Districts*”), are both special districts authorized to provide public services to the inhabitants of Wasatch Peaks Ranch, a new real estate development being developed in Morgan County, Utah (the “*WPR Project*”); and

WHEREAS, the Utility District and the R&F District are both in need of consulting engineering services in connection with the review and approval of design plans and specifications, inspections, and cost evaluations pertaining to the construction, installation and acceptance of public improvements to be transferred to the respective districts by the developer of the WPR Project, and related engineering services (“*Engineering Services*”); and

WHEREAS, pursuant to the provisions of the Utah Interlocal Co-Operation Act § 11-13-1, *et seq.*, U.C.A., 1953, as amended (the “*Act*”), any power or powers, privileges or authority exercised or capable of exercise by a public agency of the state (defined as any political subdivision of the state, including special districts of various kinds) may be exercised and enjoyed jointly with any other public agency, and that any two or more public agencies may enter into agreements with one another for joint or cooperative action pursuant to the Act; and

WHEREAS, the respective boards of trustees of the Utility District and the R&F District have found and determined that inasmuch as: (i) the Districts provide public services to the same inhabitants within the limited geographical area of the WPR Project; (ii) the same individuals have been duly appointed to the boards of trustees of both Districts and are administered by the same management consultant; and (iii) there are economies of scale in having the same consulting engineering firm provide services to both Districts in terms of familiarity with all public facilities being developed within the WPR Project and personnel common to both the developer of Wasatch Peaks Ranch and the Districts; and

WHEREAS, the respective boards of trustees of the Utility District and the R&F District have determined that it is in the best interest of both Districts, for the present time, to jointly retain the same consulting engineer for the purpose of providing engineering services to both Districts, in conformance with the provisions of this Agreement;

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

FIRST DISCUSSION DRAFT – 27 July 23 (DBR)**AGREEMENT:**

1. JOINT CONSULTING ENGINEERING SERVICES. The Parties hereby agree that the consulting engineer currently retained by the Utility District shall be retained to jointly provide consulting engineering services to the R&F District during the pendency of the current consulting engineering contract, and that upon expiration of said contract, the two District's shall jointly procure and contract with the same consulting engineering firm to provide engineering services to the Districts during the Term hereof as defined below.
2. PAYMENT FOR CONSULTING ENGINEERING SERVICES. The engineering firm retained by the Districts shall be required to separately account for the engineering services provided to each District and each District shall be invoiced separately for such services. The cost of any engineering services that are equally applicable to both Districts shall be shared equally between the two Districts and shall be invoiced by the consulting engineer accordingly.
3. ENTIRE AGREEMENT; BINDING EFFECT. This Agreement contains the entire agreement of the Parties with respect to the subject matter of this Agreement, and supersedes all other prior agreements, understandings, statements, representations and warranties, oral or written, express or implied, by and among the Parties and their respective affiliates, representatives and agents in respect of the subject matter hereof. This Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective successors-in-interest and assigns.
4. AMENDMENTS. This Agreement may only be changed, modified or amended upon mutual written agreement of the Parties.
5. NO THIRD-PARTY BENEFIT. This Agreement shall not be deemed to create any right in any person who is not a Party and shall not be construed in any respect to be a contract, in whole or in part, for the benefit of any third-party.
6. NO SEPARATE LEGAL ENTITY. No separate legal entity is created by this Agreement.
7. TERM OF THE AGREEMENT. This Agreement shall continue for a term of 5 years, unless extended upon mutual written agreement of the Parties.
8. ASSIGNMENT. No Party may assign its rights, duties or obligations under this Agreement without the prior written consent first being obtained from the other Party, which consent shall not be unreasonably withheld, conditioned or delayed so long as the assignee thereof shall reasonably be expected to be capable and willing to perform the duties and obligations being assigned.
9. INTERLOCAL COOPERATION ACT REQUIREMENTS. In satisfaction of the requirements of the Interlocal Cooperation Act, the Parties agree as follows:
 - (a) Pursuant to the provisions of Section 11-13-202.5 of the Interlocal Cooperation Act, this Agreement shall be authorized and adopted by a resolution of the board of trustees of both Districts;

FIRST DISCUSSION DRAFT – 27 July 23 (DBR)

(b) Pursuant to the provisions of Section 11-13-202.5(3) of the Interlocal Cooperation Act, this Agreement shall be reviewed as to proper form and compliance with applicable law by a duly authorized attorney on behalf of each Party; and

(c) Pursuant to the provisions of Section 11-13-209 of the Interlocal Cooperation Act, executed copies of this Agreement shall immediately be deposited with and remain in the official records of each District during the effective term hereof.

10. AUTHORITY TO BIND. Each individual executing this Agreement represents and warrants that such person is authorized to do so, and, that upon executing this Agreement, this Agreement shall be binding and enforceable in accordance with its terms upon the Party for whom such person is acting.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement effective as of the day and year first set forth above.

WPR UTILITY DISTRICT

Board Chair

APPROVED AS TO FORM:

District's Attorney

WPR ROAD AND FIRE DISTRICT

Board Chair

APPROVED AS TO FORM:

District's Attorney

WPR UTILITY DISTRICT

RESOLUTION 2023-08-01

A RESOLUTION AUTHORIZING THE EXECUTION OF THE INTERLOCAL AGREEMENT PROVIDING FOR JOINT CONSULTING ENGINEERING SERVICES

WHEREAS, the Board of Trustees has determined it to be in the best interest of the WPR Utility District (the “*District*”), to enter into that certain Interlocal Agreement Providing for Joint Consulting Engineering Services (the “*Interlocal Agreement*”), with the WPR Road and Fire District, which provides, for the present time, that both Districts shall jointly retain the same consulting engineer for the purpose of providing consulting engineering services to both Districts in connection with the review and approval of design plans and specifications, inspections, and cost evaluations pertaining to the construction, installation and acceptance of public improvements to be transferred to the respective Districts by the developer of the Wasatch Peaks Ranch Project, and related engineering services; and

WHEREAS, applicable Utah law requires that the Interlocal Agreement be authorized and adopted by a resolution of the District’s Board of Trustees (the “*Board*”);

NOW, THEREFORE, BE IT RESOLVED, as follows:

1. The District hereby adopts the Interlocal Agreement, and the Board Chair s hereby authorized to execute the same on behalf of the District.
2. A certified copy of this resolution, together with the Interlocal Agreement, shall forthwith be deposited with and remain in the official records of the District.

Dated this ____ day of _____, 2023.

WPR UTILITY DISTRICT

By: _____
Vance Bostock, Chair, Board of Trustees

CERTIFICATION

I hereby certify that the foregoing is a true and accurate copy of a resolution adopted by the Board of Trustees of WPR Utility District on the ____ day of _____, 2023.

Mitchell Lee, District Clerk

WPR UTILITY DISTRICT

RESOLUTION 2023-08-02

A RESOLUTION REQUIRING THE EXECUTION OF PUBLIC INFRASTRUCTURE ANNEXATION CONSENT FORMS AS A CONDITION TO ISSUANCE OF WILL-SERVE LETTERS REQUIRED FOR LOT OWNER BUILDING PERMIT APPLICATIONS

WHEREAS, Wasatch Peaks Ranch is developing a private planned recreational community located in Morgan County, Utah (the “*County*”), called Wasatch Peaks Ranch (the “*Development*”), which includes a private club and related amenities as well as public infrastructure improvements to serve the subdivided lots within the Development (each a “*Lot*” and collectively, the “*Lots*”); and

WHEREAS, the WPR Utility District (the “*District*”), has been created as a special district under Utah law to acquire, own and operate certain public utility infrastructure to be utilized in providing public utility services to the owners of Lots within the legal boundaries of the District, including, without limitation, a municipal water system (“*Water System*”); and

WHEREAS, the County requires, as a condition to the issuance of a building permit to an individual Lot owner within the Development (“*Lot Owner*”), that the Lot Owner submit proof to the County’s building department that the Lot Owner is entitled to connect to and receive water service from the District; and

WHEREAS, to evidence proof that a Lot Owner is entitled to connect to and receive water service from the Water System, the District’s practice is to issue to the Lot Owner a conditional Will-serve Letter (the “*Will-serve Letter*”), which is to be submitted by the Lot Owner to the County to satisfy the County’s water connection proof requirement for a building permit for such Lot; and

WHEREAS, the Wasatch Peaks Ranch Public Infrastructure District (the “*PID*”), has been created by the County for the primary purpose, as stated in the governing document for the PID (the “*Governing Document*”), of financing the construction of public improvements for the use and benefit of all anticipated inhabitants and taxpayers of the District; and

WHEREAS, the Governing Document provides that the PID will not provide any ongoing operations and maintenance services; but, rather, that the newly constructed public infrastructure improvements are to be transferred and dedicated to, and thereafter be owned and operated by, a separate public entity; and

WHEREAS, in the case of the Development, the District is the designated public entity to which Water System and certain other infrastructure improvements financed by the PID are to be transferred and dedicated; and

WHEREAS, to facilitate the use of the PID in the financing of public improvements which are to become part of the District’s utility system including, without limitation, the Water System, it is the policy of the District that all Lots within the Development which are intended to receive public utility services from the District must be situated within the boundaries of the PID as well as the District, as a condition to utility service by the District;

NOW, THEREFORE, BE IT RESOLVED, as follows:

1. To the extent any Lots within the Development to be served by the District are determined to be situated outside the legal boundaries of the PID, the District’s Board of Trustees (the “Board”), hereby finds and determines that it is in the best interest of the District:

(a) that all such Lots be required to be annexed into the PID for all purposes for which the PID has been created as set forth in the Governing Document; and

(b) that in order to facilitate the PID annexation, a Petition for Annexation and Consent and related documents, on standard forms provided by the District, shall be required to be executed by the Lot Owner and delivered to the District as a condition precedent to the issuance of the Will-serve letter by the District pertaining to any such Lot.

2. Consistent with the District’s statutory rule-making authority, the foregoing is hereby adopted as the official policy and rule of the Board pertaining the subject matter hereof.

3. This Resolution shall take effect immediately upon adoption.

DATED this ____ day of _____, 2023.

WPR UTILITY DISTRICT

By: _____
Vance Bostock, Chair, Board of Trustees

CERTIFICATION

I hereby certify that the foregoing is a true and accurate copy of a resolution adopted by the Board of Trustees of WPR Utility District on the ____ day of _____, 2023.

Mitchell Lee, District Clerk