



# BIG PLAINS WATER SPECIAL SERVICE DISTRICT PUBLIC

## HEARING AND MEETING

BOARD OF DIRECTORS, REGULAR MEETING

1777 N Meadowlark Dr, Apple Valley

Wednesday, June 19, 2024 at 6:00 PM

### AGENDA

Notice is given that a meeting of the Water District of the Town of Apple Valley will be held on **Wednesday, June 19, 2024**, commencing at **6:00 PM** or shortly thereafter at **1777 N Meadowlark Dr, Apple Valley**.

**Chairman** | Michael Farrar

**Board Members** | Harold Merritt | Ross Gregerson | Matt Politte | Kevin Sair

Please be advised that the meeting will be held electronically and broadcast via Zoom. Persons allowed to comment during the meeting may do so via Zoom. Login to the meeting by visiting:

<https://us02web.zoom.us/j/82661513795>

if the meeting requests a password use 1234

To call into meeting, dial (253) 215 8782 and use Meeting ID 8266151 3795

#### CALL TO ORDER

#### PLEDGE OF ALLEGIANCE

#### ROLL CALL

#### DECLARATION OF CONFLICTS OF INTEREST

#### CHAIR REPORT

#### PUBLIC HEARING

1. Water Base Rate and Standby Fee Increase, Usage Fees Increase, Bulk Water Rate Increase, and Water Right Buy In Increase.
2. Adoption of the FY2025 Budget, Amendment of the FY2024 Budget, and Approval of the FY2025 Enterprise Fund Transfer.

#### DISCUSSION AND ACTION

- [3.](#) Resolution-BPW-R-2024-10, Water Base Rate and Standby Fee Increase, Usage Fees Increase, Bulk Water Rate Increase, and Water Right Buy In Increase.
- [4.](#) Resolution-BPW-R-2024-09, Adoption of the FY2025 Budget, Amendment of the FY2024 Budget, and Approval of the FY2025 Enterprise Fund Transfer.
- [5.](#) Resolution-BPW-R-2024-11, Interlocal Agreement with the Town of Apple Valley.
- [6.](#) Resolution-BPW-R-2024-12, Adopt Qualified Small Employer Health Reimbursement Arrangement Plan (QSEHRA).
7. Approval for Dan Harsh (Water Operator) and Michael L. Farrar (Chairman) to be issued credit cards with State Bank of Southern Utah.
- [8.](#) Water Agreement for Hidden Rock Development Group LLC (Oculta Roca).

#### CONSENT AGENDA

- [9.](#) Approval of Minutes: May 15, 2024.

#### REQUEST FOR A CLOSED SESSION

#### ADJOURNMENT

CERTIFICATE OF POSTING: I, Jenna Vizcardo, as duly appointed Recorder for the Town of Apple Valley, hereby certify that this Agenda was posted at the Apple Valley Town Hall, the Utah Public Meeting Notice website <http://pmn.utah.gov>, and the Town Website [www.applevalleyut.gov](http://www.applevalleyut.gov).

THE PUBLIC IS INVITED TO PARTICIPATE IN ALL COMMUNITY EVENTS AND MEETINGS

In compliance with the Americans with Disabilities Act, individuals needing special accommodations (including auxiliary communicative aids and services) during this meeting should notify the Town at 435-877-1190 at least three business days in advance.

**BIG PLAINS WATER SPECIAL SERVICE DISTRICT  
RESOLUTION NO. BPW-2024-10**

***A RESOLUTION AMENDING THE WATER BASE RATE AND STANDBY FEE, USAGE FEES, BULK WATER RATE, AND WATER RIGHT BUY IN FOR THE BIG PLAINS WATER SPECIAL SERVICE DISTRICT***

**WHEREAS**, the Big Plains Water and Sewer Special Service District ("District") adopted water rates as set forth by Resolution Number 2012-02 and amended by Resolution Number 2020-02; and

**WHEREAS**, at a meeting duly called, noticed and held on the 19<sup>th</sup> day of June, the District held a meeting wherein the need was demonstrated to increase revenue in order to pay operational expenses, debt service and to meet debt covenant obligations; and

**WHEREAS**, at the meeting held on the 19<sup>th</sup> day of June, a public hearing was held wherein all interested persons were allowed to speak for or against the proposal to increase the existing fee; and

**WHEREAS**, the Board of Trustees listened to and took into consideration all public input on the proposed rate increase; and

**WHEREAS**, the District Board deems it necessary and appropriate to adjust the water rates as follows:

<b>Service</b>	<b>Prior Rate</b>	<b>New Rate</b>
3/4" Base Rate and Standby Fee	\$49.00 per month	\$75.00 per month
1" Base Rate	\$76.00 per month	\$102.00 per month
1.5" Base Rate	\$94.62 per month	\$141.93 per month
2" Base Rate	\$135.17 per month	\$202.76 per month
3" Base Rate	\$368.34 per month	\$552.51 per month
4" Base Rate	\$827.93 per month	\$1,241.90 per month
<i>Usage Fees</i>		
<b>Tier 1</b> 0-5000 gallons	\$1.50 per thousand gallons	\$1.50 per thousand gallons
<b>Tier 2</b> 5,001-12,000 gallons	\$1.75 per thousand gallons	\$1.75 per thousand gallons
<b>Tier 3</b> 12,001-25,000 gallons	\$2.00 per thousand gallons	\$2.00 per thousand gallons
<b>Tier 4</b> 25,001-35,000 gallons	\$2.25 per thousand gallons	\$2.25 per thousand gallons
<b>Tier 5</b> 35,001-45,000 gallons	\$2.50 per thousand gallons	\$2.50 per thousand gallons
<b>Tier 6</b> 45,001-55,000 gallons	\$2.75 per thousand gallons	\$3.25 per thousand gallons
<b>Tier 7</b> 55,001-75,000 gallons	none	\$4.00 per thousand gallons
<b>Tier 8</b> 75,001-100,000 gallons	none	\$5.00 per thousand gallons
<b>Tier 9</b> Over 100,000 gallons	none	\$7.00 per thousand gallons
Bulk Meter Usage Fees:	\$4.00 per thousand gallons	\$8.00 per thousand gallons
Water Right Buy In Fee:	\$6,000	\$10,000

**WHEREAS**, at a meeting of the District, duly called, noticed and held on the 19<sup>th</sup> day of June, 2024, and upon motion duly made and seconded:

**NOW, THEREFORE, IT IS HEREBY RESOLVED** by the District that the aforementioned water rates shall be charged and effective on July 1<sup>st</sup>, 2024.

**PASSED** this 19<sup>th</sup> day of June, 2024.

BIG PLAINS WATER SPECIAL SERVICE DISTRICT

\_\_\_\_\_  
Michael Farrar, Chairman

**BOARD MEMBER VOTES:**

Chairman Michael Farrar voted	_____
Board Member Harold Merritt voted	_____
Board Member Ross Gregerson voted	_____
Board Member Matt Politte voted	_____
Board Member Kevin Sair voted	_____

ATTEST:

SEAL:

\_\_\_\_\_  
Jenna Vizcardo, Clerk/Recorder

**SECTION 1:            AMENDMENT** “1.02.010 New Connections For Water Service” of the Apple Valley Water & Sewer District is hereby *amended* as follows:

AMENDMENT

1.02.010 New Connections For Water Service

- A. Applicants desiring a connection for property located within the District shall notify the District requesting that the District provide the required retail water service. New connections may be installed prior to an approved culinary use. However, it will be locked and unusable until such time a building permit has been issued by the Town of Apple Valley. As an exception, water meters may be installed for agricultural use only. It may not be connected to any structure or be used as culinary water. Any unauthorized use will be subject to lockout. The installation will require the impact fee, connection fee and if applicable (at the District's discretion and depending on whether the District owns sufficient municipal water rights to supply the proposed development and existing customer) an appropriate municipal category water right provided by applicant by conveyance provided by applicant by conveyance. If the agricultural connection is changed to culinary use and the property is under new ownership, the connection will be subject to the impact fee less any standby credits. The District will then follow its procedures for obtaining water service. The applicants shall bear the cost of all expenses associated with providing the retail water service. If providing service by the District requires a mainline extension, the applicant will follow the procedures starting with 1.02.040 Procedures for Obtaining Water Services for Development Projects.
- B. Upon approval of the new water connection and payment of required deposit, the applicant shall engage at their own expense a licensed and insured contractor approved by the Water Superintendent for the excavation of the water main. The contractor shall schedule the excavation at a time when the Water Superintendent is available to supervise the excavation. Contractor shall obtain an Encroachment Permit from the Town, if required. Upon excavation of the water main, the Water Superintendent shall then install the service line and required water meter. After the installation of the water meter, the contractor shall then replace excavated materials, and repair the impacted area to the condition prior to excavation. This includes new road base or asphalt as required by Apple Valley Town Standards.
- C. Unless waived by the District for good cause, applicants desiring a connection for property not included within the existing boundaries of the District shall petition to annex their lands into the District before their application will be processed. The petition shall include a legal description of the property and reasonable evidence that the petitioner is the owner of the property to be annexed or is the lawful agent of the owner. In addition, if the property is located within the legal boundaries of an incorporated city, the application shall also comply with the procedure in Section A.
- D. All applicants shall sign a Water Application and Agreement. Such application shall

include the location of the desired water service, the name of the applicant, the date of application, proof of ownership of the property, and the basic terms and conditions with which the applicant shall be required to comply to receive water service. Such terms and conditions shall require the applicant to:

1. Pay the current connection deposit as established by the District's Administrative Control Board. After completion of the connection, the District will provide applicant an itemized billing of time and materials for the connection, and shall either refund the unused portion of the deposit or bill the applicant for the balance. Refund of deposit will be mailed within 30 days of completion. If a balance remains, that amount shall be paid within 30 days of completion or the meter is subject to lockout until payment in full is received. Connection certificates issued and agreements providing for connections executed prior to the effective date of these rules and regulations shall be honored.
2. All new applicants shall provide to the District the applicant's social security number and pay to the District a \$100 deposit, which, at the option and request of the applicant, may be credited to the applicant's account after one year, provided that the applicant's account has not been delinquent at any time during the one-year time period. Should the applicant fail to request that the deposit be credited to their account after such time, the District shall retain the deposit until either party terminates service. Upon termination, the District will return the deposit to the applicant, less any amounts still owing to the District. Should an applicant choose not to provide their social security number; the applicant shall pay a \$500 deposit, which will be retained by the District until either party terminates service. Upon termination, the District will return the deposit to the applicant, less any amounts still owing to the District. Existing customers shall not be required to provide the District with their social security number, unless their accounts have ever been delinquent for more than ninety (90) days.
3. At the District's discretion and depending on whether the District owns sufficient municipal water rights to supply the proposed development and existing customers, one (1) acre foot of municipal category water rights must be bought-in at ~~\$6,000.00~~ \$10,000.00 per connection or deeded to the District in lieu of the buy-in. Conveyance to the District, must be in a form or manner approved by the District, an existing water right in a quantity sufficient to allow the District to meet the use applied for by the applicant. For a single-family residential connection with outside irrigation not exceeding one acre, the quantity of water right to be conveyed is 1.0-acre foot. The requirement for other applications, such as commercial or larger acreage, shall be determined on a case-by-case basis. The conveyance to the District and the District's obligation to service the applicant is conditioned upon approval by the State Engineer of a change application filed by the District to change the nature and place of use and the point of diversion of the conveyed water right to that consistent with the requested service. Any reduction by the State Engineer in the quantity of water approved as a result of change of nature of

use or forfeiture shall be the responsibility of the applicant.

4. Pay for all sums of water usage and service charges at the rates lawfully set from time to time by the District's Administrative Control Board. The District shall impose a five percent (5%) finance charge, applied monthly to all delinquent accounts.
  5. Abide and obey all rules and regulations then in effect and thereafter adopted by the District.
  6. Pay all water and service charges by the last day of the month the statement is prepared. Failure to pay said charges within 30 days of statement date will result in the account being declared delinquent and the water service terminated upon proper notice. Water service shall be restored upon payment of all delinquent amounts plus a reasonable service restoration charge.
  7. Pay any interest, collection charge, and restoration fee set forth in these rules and regulations.
  8. Pay all costs, including attorney's fees, incurred by the District through its efforts to collect any delinquency or to enforce these rules and regulations.
  9. Acknowledge that the service connection and all of its parts and materials from the water main to the point of connection to the line stubbed from the building, said point of connection being immediately downstream of the meter box, shall be the property of the District.
  10. Acknowledge that the District reserves the right at any time, without notice, to shut off or curtail water service, in the event of a water scarcity, to facilitate repairing or maintenance of the District's water system, or to protect the District's water system and supply from contamination which could endanger the public health.
  11. Identify a relative by name and address, not living with the applicant.
  12. Notify the District of any cross-connection, backflow incident, or other condition within the customer's system which may put the District's system and/or water supply at risk for contamination. Notification must occur as soon as possible, but no later than 24 hours upon learning about such conditions.
  13. Acknowledge that the customer shall be responsible for installing and maintaining a thermal expansion chamber and a pressure reducing valve on the cold water line feeding the customer's water heater, and that any damage which may occur as a result of a missing or faulty thermal expansion chamber or pressure reducing valve shall be the responsibility of the customer. Neither the chamber nor the valve shall be removed except to necessitate a replacement or repair.
- E. The District shall maintain a list of customers with unpaid water bills. Applications for water service from previous customers with unpaid balances shall not be processed until the unpaid balances together with interest are paid.
- F. Upon proper execution of the annexation petition, if applicable, signing of the Water Application and Agreement, payment of the current connection fee, buy-in or conveyance of the required water rights, plus any other charges or fees that are determined to be due and the District's determination that water and facilities are available for service at such location, the applicant shall be accepted as a retail

customer of the District.

**SECTION 2: AMENDMENT** “01.20.010 Residential” of the Apple Valley Water & Sewer District is hereby *amended* as follows:

AMENDMENT

01.20.010 Residential

Residential Standby Fee: \$49/month

Residential Base Fee: \$49/month

Residential Usage Fees:

Gallons Used	Charge/1,000 Gal	Total
0-base/standby		\$49.00
0-5,000	\$1.50	Calculated based on usage
5,001-12,000	\$1.75	Calculated based on usage
12,001-25,000	\$2.00	Calculated based on usage
25,001-35,000	\$2.25	Calculated based on usage
35,001-45,000	\$2.50	Calculated based on usage
45,001- <del>55,000</del> <sup>+</sup>	<del>\$3.25</del> <sup>2.75</sup>	Calculated based on usage
<u>55,001-75,000</u>	<u>\$4.00</u>	<u>Calculated based on usage</u>
<u>75,001-100,000</u>	<u>\$5.00</u>	<u>Calculated based on usage</u>
<u>Over 100,000</u>	<u>\$7.00</u>	<u>Calculated based on usage</u>

Residential Impact Fee (3/4 in Connection): \$17,788

Connection Fee Deposit by Meter Size:

3/4-inch Connection Fee: \$1,600

1-inch Connection Fee: \$1,900

1.5-inch Connection Fee: \$2,900

2-inch or Larger Connection Fee: Quoted Upon Request

Actual cost of the connection depending on the size of meter required.

At the District's discretion and depending on whether the District owns sufficient municipal water rights to supply the proposed development and existing customers, one (1) acre foot of municipal category water rights must be bought-in at \$~~10,000.00~~ ~~6,000~~ per connection, or deeded to the District in lieu of the buy-in.

**SECTION 3:            AMENDMENT** “01.20.020 Commercial” of the Apple Valley Water & Sewer District is hereby *amended* as follows:

**AMENDMENT**

01.20.020 Commercial

Commercial 1-inch meter base/standby rate: \$~~102.00~~ ~~76.00~~/month

Commercial 1.5-inch meter base/standby rate: \$~~141.93~~ ~~94.62~~/month

Commercial 2-inch meter base/standby rate: \$~~202.76~~ ~~135.17~~/month

Commercial 3-inch meter base/standby rate: \$~~552.51~~ ~~368.34~~/month

Commercial 4-inch meter base/standby rate: \$~~1,241.90~~ ~~827.93~~/month

Commercial Usage Fees: \$1.50 per 1,000 Gallons

Commercial Impact Fee: (Based on connection diameter-see table below. At the District's discretion and depending on whether the District owns sufficient municipal water rights to supply the proposed development and existing customers, appropriate acre feet of water of municipal category water rights must be bought-in at \$~~10,000.00~~ ~~6,000~~ per connection or deeded to the District in lieu of the buy-in.

Connection Diameter (in)	ERC's	Impact Fee Amount
3/4	1	\$17,788.00
1	3	\$31,623.11



1.5	5	\$71,152.00
2	8	\$126,492.44
3	10	\$284,608.00

Commercial Retail Connection Fee: Actual cost of the connection depending on the size of meter required.

**SECTION 4:** AMENDMENT “01.20.030 Bulk Meter” of the Apple Valley Water & Sewer District is hereby *amended* as follows:

AMENDMENT

01.20.030 Bulk Meter

Bulk Meter Usage Fees:

\$49 meter fee for usage up to five days, with a \$5.00 charge for each additional day the meter is out.

The water usage cost is \$8.00 ~~4.00~~/1,000 gallons used.

The meter must be read at least every 30 days.

A \$1,000 meter deposit is required.

There will be a \$250 additional charge for late (greater than five (5) days and thirty (30) days.

**BIG PLAINS WATER SPECIAL SERVICE DISTRICT****RESOLUTION NO. BPW-R-2024-09****A RESOLUTION ADOPTING FISCAL YEAR 2024 ANNUAL BUDGET, AMENDING FISCAL YEAR 2023 ANNUAL BUDGET, AND APPROVING FISCAL YEAR 2024 ENTERPRISE FUND BALANCE TRANSFER**

**WHEREAS**, the Big Plains Water Special Service District (“District”) is required to adopt an annual budget for the District’s funds pursuant to the Utah Code Annotated 17B-1-614 (the “Code”); and

**WHEREAS**, the District is authorized to amend the annual budget pursuant to the Act; and,

**WHEREAS**, the District has complied with the Code’s provisions by adopting a tentative budget for the Fiscal Year 2025 Annual Budget on May 15, 2024; and

**WHEREAS**, the District has presented a proposed amendment to the Fiscal Year 2024 Annual Budget; and

**WHEREAS**, the District has presented a proposed Enterprise Fund Balance Transfer of Funds in the Fiscal Year 2025 Annual Budget; and

**WHEREAS**, the District Board held a public hearing on June 19, 2024 to receive comment on the tentative Fiscal Year 2025 Annual Budget, the proposed amendments to the Fiscal Year 2024 Annual Budget, and the Enterprise Fund Balance Transfer of Funds for Fiscal Year 2025 Annual Budget; and

**WHEREAS**, all interested persons in attendance at the public hearing were given an opportunity to be heard; and

**NOW, THEREFORE**, at a meeting of the District Board duly called, noticed and held on the 19th day of June 2024, and upon motion duly made and seconded:

**BE IT RESOLVED AS FOLLOWS:**

The Fiscal Year 2024 Annual Budget is hereby amended, the Fiscal Year 2025 Annual Budget is hereby adopted, and the Fund Balance Transfer of Funds for Fiscal Year 2025 Annual Budget is approved, as set forth in the attached exhibit as provided by Utah Code Annotated 17B-1-614. This resolution shall take effect upon passage and posting as required by law.

**RESOLVED** this 19th day of June 2024.

[Signature Block on Next Page]

BIG PLAINS WATER SPECIAL SERVICE DISTRICT

\_\_\_\_\_  
Michael Farrar, Chairman

ATTEST:

\_\_\_\_\_  
Jenna Vizcardo, Recorder

	AYE	NAY	ABSTAIN	ABSENT
Chairman   Michael Farrar	_____	_____	_____	_____
Board Member   Harold Merritt	_____	_____	_____	_____
Board Member   Ross Gregerson	_____	_____	_____	_____
Board Member   Matt Politte	_____	_____	_____	_____
Board Member   Kevin Sair	_____	_____	_____	_____

**Big Plains Water & Sewer Special Service District**

**FY2025 Tentative Budget & FY2024 Amended Budget (May 15, 2024)**

	2021	2022	2023	FY2024 Original	FY2024 Budget	FY 2025	
<b>51 BIG PLAINS WATER AND SEWER SPECIAL SERVICE DISTRICT</b>	Actual	Actual	Actual	Budget	Amended	Tentative Budget	Worksheet Notes
Income or Expense							
Income From Operations:							
Operating Income							
5140 Water Sales	313,612	367,516	305,626	399,600	361,600	305,000	
5150 Water Standby Fees	50,993	42,654	33,417	34,840	36,300	33,000	
5310 Connection Fees	24,153	5,173	6,630	9,000	9,000	6,700	
5410 Late Penalties and Fees	333	1,323	3,119	5,000	5,000	3,000	
5490 Other Operating Income	42,021	6,133	92,887	2,250	2,250	2,250	
<b>Total Operating Income</b>	<b>431,112</b>	<b>422,799</b>	<b>441,679</b>	<b>450,690</b>	<b>414,150</b>	<b>349,950</b>	
Operating Expense							
6010 Clerical Contractor Labor	10002	-5660	0	0	300	300	
6011 Town Interlocal Agreement Costs	0	2,978	9,285	41,587	44,350	44,350	
6013 Water Salaries and Wages	51,487	56,247	43,770	0	18,065	75,000	
6014 Water Benefits	32,546	22,257	19,013	0	6,000	25,000	
6021 Public Postings	392	25	0	400	0	0	
6023 Travel	745	324	288	800	800	500	
6024 Training	650	0	295	700	1,200	1,200	NEW HIRE
6025 Books/Subscriptions/Memberships	1337	2,609	2,762	2,800	2,800	2,800	
6030 Admin Supplies and Expenses	5,214	4,351	6,801	5,000	5,000	5,000	
6032 Postage	346	642	8	200	200	200	
6035 Bank Service Charges	552	63	25	100	100	100	
6036 Bad Debt	0	222	0	0	0	0	
6040 Professional Service	28,575	-17,021	12,699	7,500	25,000	15,000	
6043 Accounting & Audit Fees	5,700	19,800	13,200	12,000	16,100	35,000	20K FOR AUDIT, 15K FOR ACCOUNTANT
6044 Water Testing	5,155	7,966	9,894	8,000	8,000	10,000	
6045 Legal Fees	1,460	3,060	15,788	7,500	35,000	16,000	
6050 System Maintenance and Repairs	25,680	269	15,146	7,500	10,000	10,000	
6051 System Equipment	0	11,361	11,866	11,100	11,000	12,000	
6052 Well Maintenance and Repairs	0	670	58,997	7,500	22,000	20,000	
6053 Tank Maintenance and Repairs	3,000	85	1,260	14,000	1,000	1,000	
6060 Equipment Costs Other than Fuel	2,783	1,087	5,672	4,000	9,000	10,000	
6061 Equipment Fuel	2,134	2,672	6,100	5,000	2,000	6,000	
6067 Utilities	15,380	22,779	18,925	24,200	24,200	18,000	
6068 Telephone & Internet	152	0	0	0	1,500	1500	

**Big Plains Water & Sewer Special Service District**

**FY2025 Tentative Budget & FY2024 Amended Budget (May 15, 2024)**

	2021	2022	2023	FY2024 Original	FY2024 Budget	FY 2025	Worksheet Notes
<b>51 BIG PLAINS WATER AND SEWER SPECIAL SERVICE DISTRICT</b>	Actual	Actual	Actual	Budget	Amended	Tentative Budget	
6070 Insurance	5,910	2,890	6,501	6,600	6,600	7,000	
6095 Depreciation Expense	135,064	135,064	125,868	143,301	145,000	145,000	
<b>Total Operating Expense</b>	<b>334,264</b>	<b>274,740</b>	<b>384,163</b>	<b>309,788</b>	<b>395,215</b>	<b>460,950</b>	
<b>Total Income From Operations:</b>	<b>96,848</b>	<b>148,059</b>	<b>57,516</b>	<b>140,902</b>	<b>18,935</b>	<b>-111,000</b>	
Non-Operating Items:							
Non-Operating Income							
5510 Grants	403,059	0	206,565	0	0	0	
5520 Impact Fees	80,099	135,976	34,894	120,000	60,000	60,000	
5610 Interest Income	237	726	7,204	7,800	7,800	9,000	
5690 Sundry Revenue	1221	0	(29)	100	100	100	
<b>Total Non-operating income</b>	<b>484,616</b>	<b>136,702</b>	<b>248,634</b>	<b>127,900</b>	<b>67,900</b>	<b>69,100</b>	
Non-Operating Expense							
6080 Interest Expense	93,152	107,887	78,353	87,110	87,110	83,110	
<b>Total Non-Operating Expense</b>	<b>93,152</b>	<b>107,887</b>	<b>78,353</b>	<b>87,110</b>	<b>87,110</b>	<b>83,110</b>	
<b>Total Non-Operating Items:</b>	<b>391,464</b>	<b>28,815</b>	<b>170,281</b>	<b>40,790</b>	<b>-19,210</b>	<b>-14,010</b>	
<b>Total Income or Expense Before Debt Service</b>	<b>488,312</b>	<b>176,874</b>	<b>227,797</b>	<b>181,692</b>	<b>-275</b>	<b>-125,010</b>	
Debt Service							
Debt Service-Principal-2013 Water Bond				85,000	85,000	85000	
Debt Service-Principal-2014A Water Bond				37,950	37,950	39300	
Debt Service-Principal-2014B Water Bond				4,480	4,480	4663	
Debt Service-Principal-Aquifer Study				0	0		
Debt Service-Principal-Well 59				4,000	4,000	4000	
Debt Service-Principal-Canaan Springs				11,000	11,000	11000	
Less Depreciation				-143,301	-145,000	-145000	
<b>Total Additional Debt Service</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>-2,570</b>	<b>-1,037</b>	
				<b>-871</b>			
<b>Total Income or Expense After Debt Service</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>\$182,563</b>	<b>\$2,295</b>	<b>(\$123,973)</b>	
Capital Projects							

**Big Plains Water & Sewer Special Service District**

*FY2025 Tentative Budget & FY2024 Amended Budget (May 15, 2024)*

	2021	2022	2023	FY2024 Original	FY2024 Budget	FY 2025	
<b>51 BIG PLAINS WATER AND SEWER SPECIAL SERVICE DISTRICT</b>	Actual	Actual	Actual	Budget	Amended	Tentative	Worksheet Notes
						Budget	
Truck							
Canaan Springs Rehab							
Canaan Springs Cedar Point Line							
<b>Total Capital Projects</b>					<b>0</b>	<b>0</b>	
				<b>0</b>			
<b>Total Income or Expense</b>				<b>\$182,563</b>	<b>\$2,295</b>	<b>(\$123,973)</b>	The SSD is an Enterprise Fund. We do not do a balanced budget like we do with the Town. (Balanced means Revenue equals Expenditures, with an end result of \$0.)

**Big Plains Water & Sewer Special Service District**

*Budget Hearing June 19, 2024*

<b>51 BIG PLAINS WATER AND SEWER SPECIAL SERVICE DISTRICT</b>	2021 Actual	2022 Actual	2023 Actual	FY2024 Original Budget	FY2024 Budget Amended	FY 2025 Tentative Budget
Income or Expense						
Income From Operations:						
Operating Income						
5140 Water Sales	313,612	367,516	305,626	399,600	361,600	442,400
5150 Water Standby Fees	50,993	42,654	33,417	34,840	36,300	33,000
5310 Connection Fees	24,153	5,173	6,630	9,000	9,000	6,700
5410 Late Penalties and Fees	333	1,323	3,119	5,000	5,000	3,000
5490 Other Operating Income	42,021	6,133	92,887	2,250	2,250	2,250
<b>Total Operating Income</b>	<b>431,112</b>	<b>422,799</b>	<b>441,679</b>	<b>450,690</b>	<b>414,150</b>	<b>487,350</b>
Operating Expense						
6010 Clerical Contractor Labor	10002	-5660	0	0	300	300
6011 Town Interlocal Agreement Costs	0	2,978	9,285	41,587	44,350	60,000
6013 Water Salaries and Wages	51,487	56,247	43,770	0	18,065	75,000
6014 Water Benefits	32,546	22,257	19,013	0	6,000	25,000
6021 Public Postings	392	25	0	400	0	0
6023 Travel	745	324	288	800	800	500
6024 Training	650	0	295	700	1,200	1,200
6025 Books/Subscriptions/Memberships	1337	2,609	2,762	2,800	2,800	2,800
6030 Admin Supplies and Expenses	5,214	4,351	6,801	5,000	5,000	5,000
6032 Postage	346	642	8	200	200	200
6035 Bank Service Charges	552	63	25	100	100	100
6036 Bad Debt	0	222	0	0	0	0
6040 Professional Service	28,575	-17,021	12,699	7,500	25,000	15,000
6043 Accounting & Audit Fees	5,700	19,800	13,200	12,000	16,100	20,000
6044 Water Testing	5,155	7,966	9,894	8,000	8,000	10,000
6045 Legal Fees	1,460	3,060	15,788	7,500	35,000	16,000
6050 System Maintenance and Repairs	25,680	269	15,146	7,500	10,000	10,000
6051 System Equipment	0	11,361	11,866	11,100	11,000	12,000

**Big Plains Water & Sewer Special Service District**

Budget Hearing June 19, 2024

	2021	2022	2023	FY2024 Original	FY2024 Budget	FY 2025
<b>51 BIG PLAINS WATER AND SEWER SPECIAL SERVICE DISTRICT</b>	Actual	Actual	Actual	Budget	Amended	Tentative Budget
6052 Well Maintenance and Repairs	0	670	58,997	7,500	22,000	20,000
6053 Tank Maintenance and Repairs	3,000	85	1,260	14,000	1,000	11,000
6060 Equipment Costs Other than Fuel	2,783	1,087	5,672	4,000	9,000	10,000
6061 Equipment Fuel	2,134	2,672	6,100	5,000	2,000	6,000
6067 Utilities	15,380	22,779	18,925	24,200	24,200	18,000
6068 Telephone & Internet	152	0	0	0	1,500	1500
6070 Insurance	5,910	2,890	6,501	6,600	6,600	7,000
6095 Depreciation Expense	135,064	135,064	125,868	143,301	145,000	145,000
<b>Total Operating Expense</b>	<b>334,264</b>	<b>274,740</b>	<b>384,163</b>	<b>309,788</b>	<b>395,215</b>	<b>471,600</b>
<b>Total Income From Operations:</b>	<b>96,848</b>	<b>148,059</b>	<b>57,516</b>	<b>140,902</b>	<b>18,935</b>	<b>15,750</b>
Non-Operating Items:						
Non-Operating Income						
5510 Grants	403,059	0	206,565	0	0	0
5520 Impact Fees	80,099	135,976	34,894	120,000	60,000	60,000
5610 Interest Income	237	726	7,204	7,800	7,800	9,000
5690 Sundry Revenue	1221	0	(29)	100	100	100
<b>Total Non-operating income</b>	<b>484,616</b>	<b>136,702</b>	<b>248,634</b>	<b>127,900</b>	<b>67,900</b>	<b>69,100</b>
Non-Operating Expense						
6080 Interest Expense	93,152	107,887	78,353	87,110	87,110	83,110
<b>Total Non-Operating Expense</b>	<b>93,152</b>	<b>107,887</b>	<b>78,353</b>	<b>87,110</b>	<b>87,110</b>	<b>83,110</b>
<b>Total Non-Operating Items:</b>	<b>391,464</b>	<b>28,815</b>	<b>170,281</b>	<b>40,790</b>	<b>-19,210</b>	<b>-14,010</b>
<b>Total Income or Expense Before Debt Service</b>	<b>488,312</b>	<b>176,874</b>	<b>227,797</b>	<b>181,692</b>	<b>-275</b>	<b>1,740</b>
Debt Service						



**Big Plains Water & Sewer Special Service District**

*Budget Hearing June 19, 2024*

<b>51 BIG PLAINS WATER AND SEWER SPECIAL SERVICE DISTRICT</b>	2021 Actual	2022 Actual	2023 Actual	FY2024 Original Budget	FY2024 Budget Amended	FY 2025 Tentative Budget
Debt Service-Principal-2013 Water Bond				85,000	85,000	85000
Debt Service-Principal-2014A Water Bond				37,950	37,950	39300
Debt Service-Principal-2014B Water Bond				4,480	4,480	4663
Debt Service-Principal-Aquifer Study				0	0	
Debt Service-Principal-Well 59				4,000	4,000	4000
Debt Service-Principal-Canaan Springs				11,000	11,000	11000
Less Depreciation				-143,301	-145,000	-145000
<b>Total Additional Debt Service</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>-2,570</b>	<b>-1,037</b>
				<b>-871</b>		
<b>Total Income or Expense After Debt Service</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>\$182,563</b>	<b>\$2,295</b>	<b>\$2,777</b>
<b>Capital Projects</b>						
Truck						
Canaan Springs Rehab						
Canaan Springs Cedar Point Line						
<b>Total Capital Projects</b>					<b>0</b>	<b>0</b>
				<b>0</b>		
<b>Total Income or Expense</b>				<b>\$182,563</b>	<b>\$2,295</b>	<b>\$2,777</b>

**Account 6011 Town Interlocal Agreement Costs (Enterprise Fund Transfer)**

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Personnel Cost	\$ 57,384.00
Office Supplies	120.00
Telephone	575.00
Internet	228.00
Zoom Recordings	218.00
Website	1,475.00
<hr/>	<hr/>
Total Transfer from Enterprise Fund to General Fund	<u>\$ 60,000.00</u>



Big Plains Water Special Service District  
 1777 N. Meadowlark Dr, Apple Valley, Utah 84737  
 Phone: 435-877-1190 Fax: 435-877-1192  
 www.applevalleyut.gov

Chairman Michael Farrar  
 Board Member Harold Merritt  
 Board Member Ross Gregerson  
 Board Member Matt Politte  
 Board Member Kevin Sair

Item 4.

5/31/2024

RE: Intended Transfer of Enterprise Fund Money to Another Fund

To the Customers:

This notice is to inform you of the intended transfer of Big Plains Water Special Service District (Big Plains) Fund money to the Town of Apple Valley General Fund. The Town of Apple Valley provides administrative, operational and overhead services for Big Plains through the use of sharing personnel and assets to accomplish the daily business activities that would otherwise need to be duplicated. It is our belief that the value of services received is greater than the amount to be transferred. These services, provided by way of an interlocal agreement, include personnel to perform accounting and office functions for billing, collection, customer service, and administration; operational functions; building space, office equipment, and other machinery and equipment; and other indirect costs associated with daily business functions like fleet maintenance, technology, and administration. A calculation is made for estimated costs and a proportionate share is assigned for transfer.

Specific Enterprise Fund Information

**ENTERPRISE TRANSFER OF FUNDS**

<b>ACCOUNT 6011 TOWN INTERLOCAL AGREEMENT COSTS</b>	<b>Amount</b>	<b>% of Expenditures</b>
Personnel Cost	57,384.00	
Office Supplies	120.00	
Telephone	575.00	
Internet Charges	228.00	
Zoom Meeting Recordings	218.00	
Website	1,475.00	
<b>TOTAL TRANSFER FROM ENTERPRISE TO GENERAL FUND</b>	<b>\$60,000.00</b>	<b>10.82%</b>

There will be a public hearing specific to this intended transfer on June 19, 2024 at 6 pm at the Apple Valley Town Hall, 1777 N. Meadowlark Dr. Apple Valley, UT 84737. You may find more information regarding other budget workshops and hearings on the website: [www.applevalleyut.gov](http://www.applevalleyut.gov), or the Utah Public Notice website <https://utah.gov/pmn>.

If you have any questions or comments, please contact Chairman Michael Farrar by telephone or email (435-877-1190, [mayor@applevalleyut.gov](mailto:mayor@applevalleyut.gov)).

**Thank you,**  
**Chairman Michael Farrar**  
 1777 N. Meadowlark Dr., Apple Valley, UT 84737  
 Office: (435) 877-1190 Fax: (435) 877-1192

**BIG PLAINS WATER SPECIAL SERVICE DISTRICT  
RESOLUTION NO. BPW-2024-11**

**INTERLOCAL AGREEMENT FOR USE OF PERSONNEL AND PHYSICAL RESOURCES**

THIS AGREEMENT is made and entered effective as of the 1st day of July 2024, by and between the Town of Apple Valley, Utah, a Utah municipal corporation ("Town") and Big Plains Water and Sewer Special Service District, a Utah special service district ("District"). This agreement will replace and supersede any past interlocal agreements between Big Plans and the Town of Apple Valley.

**RECITALS**

**WHEREAS**, the Town, pursuant to Utah law, caused the creation of the District in order to provide for water services within the Town; and

**WHEREAS**, both the Town and the District are authorized under Utah law to enter into agreements for joint or cooperative action; and

**WHEREAS**, it is in the best interests of both the Town and the District to operate in an effective and efficient manner for the good of the citizens; and

**WHEREAS**, the Town is willing to allow the District to utilize certain Town personnel and physical resources in exchange for reimbursement to the Town.

**WHEREAS**, the District is willing to allow the Town to utilize certain District personnel and water in exchange for reimbursement to the District; and

**WHEREAS**, the previous interlocal agreement for personnel and physical resources, dated April 21, 2022, was outdated; and the District and Town desire to repeal the old interlocal agreement and adopt this interlocal agreement that better suits both parties.

**AGREEMENT**

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

**1. USE OF TOWN PERSONNEL (CLERK/ACCOUNTING/BILLING/ADMIN/PURCHASING AGENT)**

Both parties agree to a flat rate of \$5,000.00 per month for the interlocal agreement. This will cover all personnel costs, office supplies, equipment, CPA/accountant, 15 hours a week for a shared water assistance/maintenance person and all other fees as described in this agreement.

The Town agrees that, until otherwise determined by both the Town and the District, the District may use the services of Town employees, as approved between the Town and the District, as reasonably necessary to conduct the business of the District.

The above-mentioned rate shall cover all rates and fees including payroll taxes of 7.85% to cover FICA, workers compensation and unemployment. No other benefits will be reimbursed, regardless of the status of the individual performing the work. The District would normally employ a part-time person to perform the work described above. The District will not engage in absorbing expenses not otherwise paid by the District if a stand-alone.

## **2. USE OF TOWN EQUIPMENT AND PHYSICAL RESOURCES**

Building: The District has purchased their own mobile office. Included in this agreement is the space rent for the office on the town's property located at the Town Hall as well as the electricity used to service said office.

Office Supplies: This is included in the monthly fee to cover the costs of office supplies, i.e., pens, folders, paper clips, etc.

Monthly Invoicing: The solid waste fee billed by the Town, includes fees for postage. The District will not be charged for postage fees until such a time when billing has been separated. The District will give the large copy machine to the town and the town will take ownership of the copy machine. The town will supply the district office with a smaller personal sized printer. Included in the monthly fee will be the cost of all printer ink and toner.

Telephone/Internet: Included in this agreement is one internet connection to the water districts office. .

Website Usage: Included in this agreement is the costs to maintain the website. The district shall be given its own page with all information pertaining to the District not to be comingled on Town pages, other than meetings and code pages. Any website or design changes/improvements would be the responsibility of the district.

Zoom for Meetings: The fees for this service are included in this agreement.

Backhoe: The District's use will be minimal. Backhoe use will be included under this agreement. Damage to the backhoe while being used by the district will be the responsibility of the district. The district will pay for any damages due to misuse or accidents. Any major mechanical repairs shall be the responsibility of the Town.

Dump Truck: The District's use will be minimal. Dump Truck use will be included under this agreement. Damage to the dump truck while being used by the district will be the responsibility of the district. The district will pay for any damages due to misuse or accidents. Any major mechanical repairs shall be the responsibility of the Town.

If the Town changes to different methods of providing the above services, the Chairman and Mayor may negotiate the change in charges and/or services.

#### **4. WATER USAGE AND CHARGES FOR THE TOWN**

The District shall charge the Town for water usage as a customer. These charges will be paid monthly to the district as any other water customer.

#### **5. RECORD KEEPING**

All files of the District shall be kept separate from the Town's records, i.e., separate filing cabinets, separate folder on the server, separate space on desks, separate area for ordinance and resolution binders, etc. so as to minimize the loss of records and enhance the efficiency of the Town personnel performing the work. All manual files will be stored at the town hall.

#### **6. PAYMENT BY DISTRICT**

The Town shall invoice the District on monthly basis. The District has 30 days from the date of the Town's invoice to make payment without incurring interest charges. Interest will be charged at 1.5% for each month or partial month the payment is late.

As early as possible for each fiscal year, the Town and District shall review the interlocal agreement, current billing rates and make any appropriate adjustments based on number of District customers, employee costs, and physical resource costs. Until a new agreement of rates supersedes the prior year agreement, the prior agreement shall remain in full effect.

#### **7. ADMINISTRATION OF AGREEMENT**

This Agreement shall be administered by the Mayor of the Town of Apple Valley and the Chairman of the administrative control board of the Big Plains Water Special Service District.

#### **8. RETAINED RIGHTS**

Each party specifically retains all rights and obligations granted to or imposed upon it by state law.

#### **9. AGREEMENT CONDITIONAL**

The parties agree that this Agreement shall become effective immediately upon approval and execution hereof by the parties' respective Governing Bodies and the filing of the Agreement with the Parties' respective keeper of records.

#### **10. LIABILITY AND HOLD HARMLESS**

Town and District shall use reasonable diligence in performance of this Agreement, but do not assume any responsibility for any damage to the other party or others not the result of carelessness, negligence, failure to adhere to established standards, or willful acts on the part of Town or the District or their employees, representatives or agents. Each party will indemnify,

hold harmless, and defend the other party and its agents, principals, and employees from and against all claims, defenses, losses, liability and attorney fees arising out of or resulting from said party's failure to comply with the requirements of this Agreement, or with all federal, state and local laws applicable to the performance of this Agreement.

#### **11. TERM**

The term of this Agreement shall be for five (5) years initially, which may be extended on a year-to-year basis thereafter by written extension agreements entered into by the parties, not to exceed a total term of fifty (50) years. The monthly amount due can be re-negotiated once a year at the time of creating the town/district new fiscal budget.

#### **12. DEFAULT OR BREACH**

In the event of a default or breach in the performance of any obligation contained herein, the party not in default or breach shall provide written notice of such default or breach to the defaulting or breaching party. If such breach or default is not cured within thirty (30) days after receipt of such notice, the non-breaching or non-defaulting party may terminate this Agreement by providing thirty (30) days written notice of its election to terminate. Alternatively, or together in conjunction with such termination, the party in default or breach shall be liable to the other party for all damages suffered by said party, including costs of court and reasonable attorney fees.

#### **13. AUTHORIZED AGREEMENT**

Town and District hereby represent and warrant, one to the other, by signature of this Agreement, that its Governing Body has taken all action as required by law to approve this Agreement and to authorize execution of this Agreement on behalf of that party.

#### **14. RECITALS**

The recitals set forth at the beginning of this Agreement are incorporated herein by this reference as part of this Agreement.

#### **15. CONSTRUCTION**

This Agreement shall be governed by and construed under the laws of the State of Utah.

#### **16. INDEPENDENT ACTION**

The parties hereto shall not be deemed to be partners or joint venturers under this Agreement or in any manner.

**17. LEGAL COMPLIANCE**

Each party shall be responsible for ascertaining and overseeing compliance with all government and legal requirements.

**18. ENTIRE AGREEMENT; NO THIRD-PARTY BENEFICIARIES**

This Agreement contains the entire agreement between the parties concerning its subject matter, supersedes all prior agreements and understandings, whether or not written, and is not intended to confer upon any person other than the parties hereto any rights or remedies hereunder.

**19. AMENDMENT**

This Agreement may be amended only by a written instrument duly executed by the parties hereto.

**20. SEVERABILITY**

If any of the terms, covenants or conditions of this Agreement, or the application of any of such terms, covenants or conditions, shall be held invalid as to any person, party, or entity, by any court having jurisdiction in the premises, the remainder of this Agreement, and the application of its terms, covenants or conditions to such person, party or entity shall not be affected thereby.

**21. NO WAIVER**

Neither failure nor delay to object to any default or failure to perform under this Agreement on the part of either of the parties hereto shall operate as a waiver thereof. Any waiver at any time by either of the parties hereto of their rights with respect to a default or other matter arising in connection with this Agreement shall not be deemed a waiver with respect to any subsequent default or matter.

**22. SUCCESSORS AND ASSIGNS**

The terms of this Agreement shall be binding upon each of the parties hereto and their successors and assigns; provided that neither party may assign its rights hereunder without the prior written consent of the other, which consent may be withheld in the sole discretion of the other party.



IN WITNESS WHEREOF, the parties hereto have caused this Amendment to the Agreement to be executed on the date set forth above to be effective as of the effective date set forth above.

TOWN

---

Mike Farrar, Mayor Date

DISTRICT

---

Mike Farrar, Chairman Date

---

Kevin Sair, Vice Chairman Date

ATTEST

---

Jenna Vizcardo, Town Clerk Date

**BIG PLAINS WATER SPECIAL SERVICE DISTRICT**

**RESOLUTION BPW-R-2024-12**

**A RESOLUTION ADOPTING THE QUALIFIED SMALL EMPLOYER HEALTH REIMBURSEMENT ARRANGEMENT (QSEHRA) PLAN**

**WHEREAS**, the Big Plains Water Special Service District has an adopted Personnel Policy and Procedures manual; and,

**WHEREAS**, the Big Plains Water Special Service District deems it necessary and appropriate to add health benefits administered by a Qualified Small Employer Health Reimbursement Arrangement (QSEHRA) Plan; and,

**WHEREAS**, the Big Plains Water Special Service District, Utah held a public meeting duly called, noticed and held on the 19th day of June 2024; and,

**WHEREAS**, a motion duly made, seconded, and accepted by majority vote in regard to the QSEHRA plan; and,

**NOW, THEREFORE, BE IT RESOLVED** by the Big Plains Water Special Service District, Utah, to adopt the QSEHRA plan, the associated documents, and set the initial reimbursable amount as attached hereto.

**PASSED THIS 19TH DAY OF JUNE 2024.** This resolution shall be in full force and effect from the date of passage.

BIG PLAINS WATER SPECIAL SERVICE DISTRICT

PRESIDING OFFICER

ATTEST:

\_\_\_\_\_  
Michael L. Farrar, Chairman

\_\_\_\_\_  
Jenna Vizcardo, Town Recorder/Clerk

AYE      NAY      ABSENT      ABSTAIN

Mayor | Michael L. Farrar      \_\_\_\_\_

Council Member | Kevin Sair      \_\_\_\_\_

Council Member | Janet Prentice      \_\_\_\_\_

Council Member | Annie Spendlove      \_\_\_\_\_

Council Member | Scott Taylor      \_\_\_\_\_

**Big Plains Water Special Service District  
Qualified Small Employer Health Reimbursement Arrangement (QSEHRA)  
Summary Plan Description**

**Adopting Employer/Plan Administrator:**

Name: Big Plains Water Special Service District  
Address: 1777 N. Meadowlark Dr, Apple Valley, UT 84737  
Phone Number: 435-877-1190  
EIN Tax Number: 45-5006175

The Employer will accept service of process for this Plan as Plan Administrator. The Plan Administrator has the discretionary authority to:

- Interpret the Plan in order to make eligibility and benefit determinations,
- Make factual determinations as to whether any individual is eligible and entitled to receive any benefits under the Plan, and
- Terminate or amend this Plan.

**Plan Year:** January 1st through December 31st

**Waiting Period:** 90 days, (not to exceed 90 days)

**Maximum Benefit:**

This is the maximum amount of benefits that will be paid out during the course of the Plan Year. Employees enrolled in this QSEHRA will be eligible to receive reimbursements from the general assets of the Employer for services incurred in a Plan Year or the remaining portion of a Plan Year in which they are enrolled.

Employee Only: Seventy-Five percent (75%) of the statutory maximum

Family: Seventy-Five percent (75%) of the statutory maximum.

**Carry Over:**

This is the amount of unused benefits that can be carried over from one Plan Year to the next Plan Year. The maximum amount allowed for any Plan Year, including any amount carried over from the prior Plan Year, cannot exceed the QSEHRA Annual Maximum Benefit as defined by The Cures Act. The Maximum Benefit noted above may not be the same as the QSEHRA Annual Maximum Benefit defined by The Cures Act.

## Big Plains Water Special Service District

### QUALIFIED SMALL EMPLOYER HEALTH REIMBURSEMENT ARRANGEMENT (QSEHRA) PLAN

This Qualified Small Employer Health Reimbursement Arrangement (QSEHRA) Plan (the “Plan”) is made and effective July 1, 2024,

#### RECITALS

WHEREAS, Big Plains Water Special Service District (the “Employer”), a Special Service District and existing under the laws of the State of Utah, with its head office located at:

1777 N. Meadowlark Dr  
Apple Valley, UT 84737

desires to establish a plan to reimburse eligible medical expenses in lieu of a cost-prohibitive group health insurance plan.

RESOLVED, The Employer shall fully fund this arrangement for each eligible employee from which covered expenses (as defined in Section 213 of the Internal Revenue Code) for the employee, their spouse, and their dependents shall be reimbursed. Reimbursements shall not exceed seventy five percent (75%) of the maximum statutory limit established for the year.

RESOLVED, the Employer will offer a single or family plan as allowed by law.

RESOLVED, the submission of medical expenses must be listed on a form in sufficient detail to meet the requirements of the Employer. Expenses may be submitted until March 31 for the previous calendar year.

RESOLVED, the Plan shall be administered in a nondiscriminatory manner (as defined in Section 150(h) of the Internal Revenue Code) and shall remain in effect until modified or terminated by a later resolution.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, the Employer adopts this Plan as follows:

#### ARTICLE I. PURPOSE AND ESTABLISHMENT

##### 1.1 Purpose

Effective as a July 1, 2024, Employer establishes a QSEHRA Plan under the Cures Act of 2016 effective July 1, 2024 for the benefit of all eligible employees under Section 105(b), (e) of the internal Revenue Code as from time to time amended.

## 1.2 Name

The name of the Plan is Big Plains Special Service District Qualified Small Employer Health Reimbursement Arrangement (QSEHRSA).

## 1.3 Plan Not Subject To a Cafeteria Plan

This Plan may only be fully funded by the Employer. No salary reduction contributions may be made under this arrangement.

## 1.4 Effective Date

The provisions of the Plan, as set forth herein, shall only apply to an eligible employee who is in the active employ of the Employer on or after July 1, 2024.

## 1.5 Termination

This plan shall continue on a year-to-year basis until terminated by the Employer.

## ARTICLE II. DEFINITIONS AND CONSTRUCTION

### 2.1 Definitions

Where the following words and phrases appear in this Plan, they shall have the respective meanings set forth in this Article, unless the context clearly indicates to the contrary.

- a) Plan: The HRA Plan for Employees working for the Employer, the Plan set forth herein, as amended from time to time.
- b) Employer: Big Plains Special Service District, a municipal corporation organized and existing under the laws of the State of Utah, or its successor.
- c) Committee: The person or persons appointed pursuant to Section 6 to assist the Employer with the Plan Administration in accordance with said Section.
- d) Employee: Any person who, on or after the effective Date, is receiving remuneration for personal services rendered to the Employer.
- e) Dependents: An individual who is a dependent of a Participant within the meaning of Section 152(a) of the Code, determined without regard to subsections (b)(1), (b)(2), and (d)(1)(B) thereof, and includes any child (as defined in Code Section 152(f)(1) of

the Participant, including a child under a Qualified Medical Child Support Order, who as of the end of the taxable year has not attained age 27. A Spouse is an individual who is legally married to a Participant.

- f) Participant: An Employee participating in the Plan in accordance with the provisions of Section 3.1.
- g) Fiduciaries: The Employer and the Committee, but only with respect to the specific responsibilities of each for Plan administration, all as described in Section 6.1.
- h) Participation: The period or periods during which an Employee participates in this Plan as determined in accordance with Section 3.1.
- i) Compensation: The total of all amounts paid to a Participant for a given Year by the Employer for personal services and reported as wages for purposes of income tax.
- j) Effective Date: July 1, 2024, the date on which the provisions of this Plan became effective.
- k) Year: The 12-month period commencing on January 1 and ending on December 31.
- l) Code: The Internal Revenue Code and any other Codes relating to issues contained in this Plan, as amended from time to time.
- m) Qualifying Medical and Health Care Expenses: Expenses as defined in Section 213(d) of the Internal Revenue Code.

## **2.2 Construction**

The masculine gender, where appearing in the Plan, shall be deemed to include the feminine gender, unless the context clearly indicates to the contrary. All references to the plural herein shall also mean the singular and to the singular shall also mean the plural unless the context otherwise indicates. The words “hereof”, “herein”, “hereunder” and other similar compounds of the word “here” shall mean and refer to the entire Plan and not to any particular provision, Section or Article. Article and Section headings are for convenience of reference and not intended to add to or subtract from the terms of this Plan.

## **ARTICLE III. PARTICIPATION, ENROLLMENT, NOTIFICATIONS, AND TERMINATION**

### **3.1 Participation**

An eligible Employee shall participate in the Plan for any Year in which he meets the following requirements:

- a) He/she has performed services for the Employer at some time during the year for at least 90 days.
- b) He/she is a Full-Time Employee, working 30 hours or more per week.
- c) He/she is not subject to collective bargaining.
- d) He/she is not a non-resident alien.
- e) Individuals who are self-employed as described in section 401(c) of the Internal Revenue Code, including sole proprietors, or partners in a partnership.

### **3.2 Enrollment**

The Employee shall enroll in the Plan on an approved form approved by the Committee after being notified of eligibility.

### **3.3 Notifications**

The Employer shall notify an Employee in writing when he first becomes a Participant. Subsequent notices shall be given at least 90 days before the beginning of each Year. Such notification shall include information required to be furnished by IRS.

### **3.4 Termination**

An Employee is automatically terminated as a Participant from the Plan on the earliest of the following dates:

- a) The date on which this Plan is terminated by the Employer;
- b) The date on which the Participant's employment is terminated, whether termination is initiated by the Participant or the Employer.

## **ARTICLE IV. BENEFITS**

### **4.1 Generally**

This Plan provides for the payment of, or the reimbursement of, medical expenses (as defined in the IRS Code Section 213(d)) of an eligible Employee and Dependents as follows:

- a) Employee must provide proof of Minimum Essential Coverage (MEC) at the beginning of the Plan Year or when Employee becomes eligible to participate in the Plan. This proof must consist of either a document from a third party (for example, the insurer) showing that the Employee and dependents have coverage (for example, an insurance card or an

explanation of benefits) and an attestation by the Employee that the coverage is MEC; or (b) an attestation by the Employee stating that the Employee and Dependents have MEC, the date coverage began, and the name of the provider of the coverage. If employee is not covered under MEC for any month, the Employee may be subject to tax under the individual mandate requirement of the Affordable Care Act and reimbursements may then be includable in gross income.

- b) Payments and reimbursements for any year shall be no more than seventy five percent (75%) of the statutory limit of that Year. In the case of an Employee who is not covered for the entire year, the limitations are prorated.
- c) Reimbursements shall be included as a line item in the Employee's payroll checks as a non-taxable addition. Non-taxed premiums are taxable under certain circumstances such as in an employer sponsored health plan. Other taxable reimbursements include over the counter drugs purchased without a prescription.

#### **4.2 Qualifying Health and Medical Care Expenses**

For this purpose, "medical expenses" means expenses for medical care, as defined in section 213(d) (which includes premiums for other health coverage, such as individual health insurance policies).

#### **4.3 Carry-Forward/Run-Out Period**

Benefits not used in a prior year may be carried forward subject to seventy five percent (75%) maximum statutory limit. If an Employee's participation in the Plan ends, the period of coverage ends on the day of the terminating event. Any expenses incurred after that date are ineligible for reimbursement. If the Employee has not incurred Qualified Expenses equal to the amounts allocated on their behalf under this Plan before that date, the unused amount is forfeited to the Employer. All forfeited amounts become the property of the Employer.

#### **4.4 Refund of Duplicate or Non-Qualifying Reimbursement**

A reimbursement made to an Employee that is not a qualifying expense (i.e., duplicate reimbursement, or reimbursement for an expense not covered by an MEC, or non-medical expenses) shall be deemed taxable or may be repaid with after-tax funds. The repayment must be paid by March 15 of the year following the year in which the error was identified.

#### **4.5 Reporting Requirement**

Reimbursed medical expenses are excludable from gross wages. However, the Employee's permitted (maximum benefit allowed by Employer) benefit shall be reported on the W-2 in Box



12 with a code of FF. Any non-qualifying reimbursements not repaid shall be included in the Employee's gross wages as taxable.

## **ARTICLE V. ADMINISTRATION**

### **5.1 Fiduciary Responsibility**

The Fiduciaries shall have only those specific powers, duties, responsibilities, and obligations as are specifically given them under this Plan. The Employer shall have the sole responsibility for funding the Plan and shall have the sole authority to appoint and remove members of the Committee, and to amend or terminate this Plan. The Committee shall have the sole responsibility for the administration of this Plan, which responsibility is specifically described in this Plan.

### **5.2 Funding**

There are no segregated funds or Plan assets required or established to maintain this Plan. Reimbursements shall be made from the Employer's general assets. Annual allocations designated by the Employer shall be monitored for each enrolled Participant in a manner deemed appropriate by the Employer.

### **5.3 Committee**

The Plan shall be administered by a Committee consisting of at least two people who shall consist of the Chairman, Finance Director, or Payroll Processor of the Employer.

### **5.4 Claims Procedure**

The Committee shall make all determinations as to the eligibility of any Employee for Plan Participation or an Employer contribution. Any denial by the Committee of the claim for benefits under the Plan by an Employee shall be stated in writing by the Committee and delivered or mailed to the Employee; and such notice shall set forth the specific reasons for the denial, written to the best of the Committee's ability in a manner that may be understood without legal or actuarial counsel. In addition, the Committee shall afford a reasonable opportunity to any Employee whose claim for benefits has been denied for a review of the decision denying the claim.

### **5.5 Records and Reports**

The Committee shall exercise such authority and responsibility as it deems appropriate to comply with governmental regulations relating to records of the Employer contributions made hereunder, notifications to Participants, and reports, if any.

## **5.6 Other Committee Powers and Duties**

The Committee shall have such duties and powers as may be necessary to discharge its duties hereunder, including, but not by way of limitation, the following:

- a) To construe and interpret the Plan and decide all questions of eligibility;
- b) To prepare and distribute, in such manner as the Committee determines to be appropriate, information explaining the Plan;
- c) To receive from the Employer and from Participants such information as shall be necessary for the proper administration of the Plan;
- d) To furnish the Employer, upon request, such annual reports with respect to the administration of the Plan as are reasonable and appropriate;

The Committee shall have no power to add to, subtract from or modify any of the terms of the Plan, or to change or add to any benefits provided by the Plan, or to waive or fail to apply any requirements of eligibility under the Plan.

## **5.7 Decisions**

All decisions of the Committee shall be uniformly and consistently applied to all Participants in similar circumstances. When making a determination or calculation, the Committee shall be entitled to rely upon information furnished by a Participant, the Employer or the legal counsel of the Employer.

## **5.8 Notifications and Forms**

The Committee may require a Participant to complete and file with the Committee any and all forms approved by the Committee, and to furnish all pertinent information requested by the Committee. The Committee may rely upon all such information so furnished it, including the Participant's current mailing address.

# **ARTICLE VI. EMPLOYER RIGHTS**

## **6.1 Non-Guarantee of Employment**

Nothing contained in this Plan shall be construed as a contract of employment between the Employer and any Employee, or as a right of any Employee to be continued in the employment of the Employer, or as a limitation of the right of the Employer to discharge any of its Employees, with or without cause.

**6.2 Action by Employer**

Any action by the Employer under this Plan may be by any person or persons duly authorized to take such action.

**6.3 Amendments**

The Employer reserves the right to make from time to time any amendment or amendments to this Plan which do not cause any part of Employer contributions hereunder to be used for, or diverted to, any purpose other than the exclusive benefit of Participants, provided however, that the Employer may make any amendment it determines necessary or desirable, with or without retroactive effect, to comply with the Code or any other federal law and regulations issued pursuant thereto.

**6.4 Right to Terminate**

The Plan is intended to be permanent, but the Employer reserves the right to terminate the Plan at any time.

IN WITNESS WHEREOF, the Employer has executed this Agreement with full knowledge of its content and significance and intending to be legally bound by the terms hereof the day and year first above written.

Big Plains Water Special Service District

\_\_\_\_\_  
Michael Farrar, Chairman  
Authorized Signature

\_\_\_\_\_  
Jenna Vizcardo, Clerk/Recorder  
Attest Signature

## WATER AGREEMENT

THIS WATER AGREEMENT (this “**Agreement**”), is made and entered into as of \_\_\_\_\_, 2024 (“**Effective Date**”), by and between Big Plains Water Special Service District, a Utah Special Service District (“**Big Plains**”), Apple Valley Town (“**Town**”), a Utah municipal corporation, and Hidden Rock Development Group, a Utah limited liability company (“**Developer**”).

### RECITALS:

A. Developer is the owner of certain real property situated in Apple Valley, Utah, with Parcel Identification numbers AV-2194-D, AV-2194-B, and AV-2-2-27-432, more particularly described on Exhibit A, attached hereto (“**Property**”);

B. Big Plains is a Utah Special Service District that provides culinary water service to Apple Valley Town. Big Plains’ water system is shown on Exhibit B, attached hereto (“**Big Plains System**”). Big Plains’ service area includes the Property.

C. Developer is currently working with Town to develop the Property, to be known as Oculca Roca (“**Project**”).

D. Developer desires to obtain culinary water service for the Project from the Big Plains System, in accordance with the terms and conditions hereinafter set forth.

E. Developer is the owner of water rights numbered: 81-5516, 81-5514, and 81-5513 (“**Water Rights**”), appurtenant to the Property. Developer desires to convert some of the Water Rights into secondary water for use at the Project.

F. Big Plains is willing to serve the Project, and Developer desires that Big Plains be the owner and operator of the System, all upon the terms and conditions hereafter set forth.

NOW, THEREFORE, in consideration of the mutual promises, terms and conditions hereof, the parties agree as follows:

1. As per Big Plains resolution BPW-R-2023-11, At the District's discretion, one (1) acre foot of municipal category water rights must be bought-in at \$10,000.00 per connection or deeded to the District in lieu of the buy-in. Conveyance to the District, must be in a form or manner approved by the District, an existing water right in a quantity sufficient to allow the District to meet the use applied for by the applicant. The decision of water rights buy in or waters rights deeded to the district will be determined by the district at a future time.

2. In compliance with the requirements of Big Plains and the Utah Division of Drinking Water, Developer will design, construct the connecting pipeline to comply with applicable laws, and all necessary facilities, fixtures, meters and appurtenances needed to operate and deliver water to the Project.

3. At the general location shown on Exhibit B, or at such other location deemed by Big Plains and Developer to be more economical and convenient and as approved by Big Plains, Developer will connect the Project to the Big Plains System. Upon connection to the Big Plains System, Developer will dedicate all water conveyance improvements to Big Plains, and Big Plains will become the owner and operator and shall manage in all respects the Delivery of culinary water to the Project, in accordance with all applicable laws.

4. Developer shall construct a water tank (“**Water Tank**”) within the Project at a location mutually agreed by Developer, Big Plains, and Town. The Water Tank shall be constructed according to Town standards.

4.1. Developer and Town agree that Developer is responsible to construct the Water Tank up to a 600,000-gallon capacity at a cost not to exceed \$600,000.00. Should Town desire additional size and capacity to the Water Tank beyond the 600,000 gallon capacity, or cost of \$600,000.00, town shall pay the extra cost thereof prior to construction of the Water Tank.

4.2. Should Developer, in the future, expand the Project in a manner that increases Developer’s usage of water beyond the usage needed for the 600,000-gallon Water Tank capacity, as calculated by Town’s engineers, Developer shall pay Town for its proportionate share of the Water Tank’s capacity that Developer uses beyond the 600,000 gallons capacity paid by Developer.

4.3. Upon receipt of project Certificate of Occupancy, Developer will dedicate all water tank improvements to Town, and Town will become the owner and operator and shall manage in all respects the Water Tank and storage of culinary water, in accordance with all applicable laws.

4.4. Developer shall be responsible for construction of the Water Tank only, and shall not be responsible for water sourcing, wells, water lines, or other infrastructure necessary to serve and operate the Water Tank.

5. The wells currently located on the Property will not be connected to the Big Plains System or to the Water Tank, but are intended for use for secondary water and irrigation purposes at the Project.

6. As a condition of continued water service under this Agreement and to meet State Engineer requirements, Developer shall install and maintain to Big Plains standards a meter for measuring any and all water use, including, but not limited to any use under paragraph 4 above. Developer is responsible for any fees for the meter and the costs of any survey and inspections. Big Plains shall perform normal maintenance on the meter, at reasonable expense to Developer or its successor.

7. Big Plains shall at all times be provided with complete access to all pipelines and other facilities installed by Developer. Developer acknowledges that Big Plains on a periodic basis will be entering the premises to inspect all water, and infrastructure and gives permission of ingress and egress for the same.

8. The parties' obligations hereunder are subject to the obtaining of any approvals or permits required by Utah Law.

9. Big Plains may, in its sole and absolute discretion, assign or transfer its obligations hereunder to another supplier.

10. All parties agree to indemnify, save harmless and defend the others, their agents and employees, from all claims, mechanics liens, demands, damages, actions, cost and charges, and other liabilities arising out of or by reason of the obligations contained in this Agreement.

11. This Agreement shall constitute the entire agreement and understanding of and between the Parties in relation to matters described herein, and no statements, representations, inducements or promises other than as expressly set forth herein have been given or received by any of the Parties (nor by their respective agents, employees, attorneys or representatives) in return for the same. All negotiations, oral conversations, statements, representations and/or agreements leading up to the execution of this Agreement are merged herewith and shall not be the basis for any legal rights, claims or defenses in relation to any litigation or otherwise. No parole or extrinsic evidence may be used to contradict any of the terms of this Agreement. Any amendment to this Agreement must be in writing, signed by duly authorized representatives of the Parties hereto, and specifically state the intent of the Parties to amend this Agreement.

12. In no event shall any Party, or its boards, commissions, officers, agents or employees, be liable in damages for any default under this Agreement, it being expressly understood and agreed that the sole legal remedy available to another Party for a breach or violation of this Agreement by the another Party shall be an action in mandamus, specific performance or other injunctive or declaratory relief to enforce the provisions of this Agreement by the another Party, or to terminate, modify, correct or suspend this Agreement. In connection with the foregoing provisions, each Party acknowledges, warrants and represents that it has been fully informed with respect to, and represented by counsel of such Party's choice in connection with, the rights and remedies of such Party hereunder and the waivers herein contained, and after such advice and consultation has presently and actually intended, with full knowledge of such Party's rights and remedies otherwise available at law or in equity, to waive and relinquish such rights and remedies to the extent specified herein, and to rely to the extent herein specified solely on the remedies provided for herein with respect to any breach of this Agreement by the other Party.

13. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement. Electronic transmission (including email and fax) of a signed copy of this Agreement and the retransmission of any signed electronic transmission shall be the same as delivery of an original. Signatures on this document, whether executed physically or by use of electronic signatures, shall be deemed original signatures and shall have the same legal effect as original signatures.

14. The persons executing this Agreement warrant and represent that they are duly authorized to do so in the capacity stated. All negotiations, understandings, representations and

preliminary agreements are merged herein. The parties intend this document to be the final and exclusive expression of their agreement. This Agreement may not be modified, amended or revoked unless by a writing signed by all the parties hereto. The language in all parts of this Agreement shall in all cases be construed simply, as a whole and in accordance with its fair meaning and not strictly for or against any party. The captions of this Agreement are not part of the provisions hereof and shall have no force or effect. Accordingly, in the event of an ambiguity in or dispute regarding the interpretation of this Agreement, this Agreement shall not be interpreted or construed against the party preparing it.

(Signatures to follow)

**IN WITNESS WHEREOF**, the parties hereto have executed this Water Supply Agreement by and through their respective, duly authorized representatives as of the day and year first above written.

**Big Plains Water Special Service District**

\_\_\_\_\_  
By:  
Its:

**Apple Valley Town**

\_\_\_\_\_  
By:  
Its:

**DEVELOPER**

**HIDDEN ROCK DEVELOPMENT GROUP LLC**

\_\_\_\_\_  
By: \_\_\_\_\_  
Its: \_\_\_\_\_



## EXHIBIT "A"

AV-2194-D

Beginning at a point North 89°53'25" East along the South section line 1080.46 feet from the Southwest corner of Section 27, Township 42 South, Range 12 West, Salt Lake Base and Meridian; and running thence North 0°04'17" West 2638.65 feet to a point on the center section line; thence North 89°54'58" East along said center section line 559.35 feet to a point on a parcel more particularly described in document #20070025178, filed and on record at Washington County Recorder's Office, State of Utah; thence along said parcel the following two (2) courses: South 0°03'58" East 218.34 feet; thence North 89°53'25" East 346.55 feet to a point on a parcel more particularly described in instrument #917739, filed and on record at Washington County Recorder's Office, state of Utah; thence along said parcel the following two (2) courses: South 0°03'58" East 321.36 feet; thence South 84°32'14" East 655.48 feet to the center section line; thence South 0°03'39" East along said center section line 2035.05 feet to the South quarter corner of said Section 27; thence South 89°53'25" West along the South Section line 1557.90 feet to the point of beginning.

AV-2194-B

Commencing at the Southwest Corner of Section 27, Township 42 South, Range 12 West, Salt Lake Base and Meridian; and running thence North 89°56'17" East 2639.07 feet to the South Quarter Corner of said Section 27; thence North 0°01'06" West along the Quarter Section Line 2035.00 feet to the true point of beginning; thence North 84°29'22" West 656.00 feet; thence North 0°01'06" West 908.32 feet to the fenceline on the South side of the road; thence North 59°01'33" East along the fenceline 761.40 feet to the Quarter Section Line; thence South 0°01'06" East 1363.17 feet to the true point of beginning.

AV-2-2-27-432

Beginning at a point North 89°53'25" East along the South section line 1080.46 feet from the Southwest corner of Section 27, Township 42 South, Range 12 West, Salt Lake Base and Meridian; and running thence North 0°04'17" West 2638.65 feet to a point on the center section line; thence North 89°54'58" East along said center section line 559.35 feet to a point on a parcel more particularly described in document #20070025178, filed and on record at Washington County Recorder's Office, State of Utah; thence along said parcel the following two (2) courses: South 0°03'58" East 218.34 feet; thence North 89°53'25" East 346.55 feet to a point on a parcel more particularly described in instrument #917739, filed and on record at Washington County Recorder's Office, state of Utah; thence along said parcel the following two (2) courses: South 0°03'58" East 321.36 feet; thence South 84°32'14" East 655.48 feet to the center section line; thence South 0°03'39" East along said center section line 2035.05 feet to the South quarter corner of said Section 27; thence South 89°53'25" West along the South Section line 1557.90 feet to the point of beginning.

# EXHIBIT "B"





# BIG PLAINS WATER SPECIAL SERVICE DISTRICT MEETING

BOARD OF DIRECTORS, REGULAR MEETING

1777 N Meadowlark Dr, Apple Valley

Wednesday, May 15, 2024 at 6:00 PM

## MINUTES

**Chairman** | Michael Farrar

**Board Members** | Harold Merritt | Ross Gregerson | Matt Politte | Kevin Sair

### CALL TO ORDER

### PLEDGE OF ALLEGIANCE

### ROLL CALL

### PRESENT

Chairman Michael Farrar

Board Member Harold Merritt

Board Member Ross Gregerson

Board Member Matt Politte

Board Member Kevin Sair

### DECLARATION OF CONFLICTS OF INTEREST

None declared.

### CHAIR REPORT

#### 1. New Water Operator Introduction.

Chairman Farrar began the meeting with the chair report, introducing the new water operator, Dan Arch, who previously worked as a water operator for Virgin. Dan was commended for his hands-on approach and willingness to engage in the work.

Chairman Farrar expressed optimism about working with Dan and highlighted a positive future collaboration.

Board Member Gregerson shared appreciation for Dan, noting his logical approach.

#### 2. Water Rate Increase

Chairman Farrar addressed the water rate increase during the meeting, mentioning that it had been announced at the State of the Town Address. He emphasized that the increase was not a new development, referencing a water study from July 11, 2020, which recommended raising water rates to \$76 a month. This aligns with recommendations from the USDA and the Division of Drinking Water.

The current proposal suggests raising the base rate to \$75 a month, which would help cover a deficit of about \$125,000 per year. Farrar explained that failing to raise rates could result in the state taking over the water district. He also mentioned potential future debt forgiveness discussions once rates are increased.



# BIG PLAINS WATER SPECIAL SERVICE DISTRICT MEETING

BOARD OF DIRECTORS, REGULAR MEETING

1777 N Meadowlark Dr, Apple Valley

Wednesday, May 15, 2024 at 6:00 PM

## MINUTES

The proposed rate increase includes creating a top-tier water usage category for high water users, raising the bulk water rate, and increasing the base rate and standby fee as well as the water right buy-in.

A public hearing and a 30-day notice period will be required for the rate increase, and Farrar expressed understanding that the decision might not be popular but emphasized its necessity for the water district's financial health.

### DISCUSSION AND ACTION

3. Resolution-BPW-R-2024-08, Adoption of the Tentative Fiscal Budget for the Fiscal Year 2025.  
\*Public Hearing will be set on June 19, 2024.

The district board discussed the proposed budget for the fiscal year 2025. The budget includes covering a shortfall of \$123,970, mostly due to paying off startup costs for the water district, which is still in its early stages. Changes from the previous year include a decrease in water sales, leading to less income, offset by increases in connection fees and other key areas. The budget also includes funding for salaries, including a new maintenance position, and an increase in professional services fees, mainly for attorney and auditing services. The district board also discussed high utility bills, which they hope will decrease once a new PAC 12 system is installed. They also considered options for addressing issues with the water tank, including the possibility of installing a liner. Additionally, they discussed potential solar projects to reduce utility costs. The district board is also working on addressing growth-related issues, such as building permits and infrastructure development, to ensure the district's continued growth and financial stability.

**Motion:** Board member Gregerson motioned that we approve BPW-R-2024-08, Adoption of the Tentative Fiscal Budget for the Fiscal Year 2025. This includes a public hearing that will be set on June 19, 2024.

Motion made by Board Member Gregerson, Seconded by Board Member Sair.

**Voting Yea (Roll Call) :** Chairman Farrar, Board Member Merritt, Board Member Gregerson, Board Member Politte, Board Member Sair

The vote was unanimous and the motion carried.

### CONSENT AGENDA

4. Approval of Minutes: April 17, 2024.
5. Disbursement Listing for April 2024.
6. Budget Report for Fiscal Year 2024 through May 13, 2024.
7. April 2024 Water Usage Comparison.



**BIG PLAINS WATER SPECIAL SERVICE DISTRICT MEETING**  
**BOARD OF DIRECTORS, REGULAR MEETING**  
**1777 N Meadowlark Dr, Apple Valley**  
**Wednesday, May 15, 2024 at 6:00 PM**

**MINUTES**

Chairman Farrar discussed the disbursement list and noted that the district has been operating with minimal expenses. He emphasized that there are no big expenses other than the loan repayment. He highlighted the startup costs associated with establishing the water system. He reassured that the district’s finances are transparent and audited regularly, ensuring that no money is wasted. He mentioned that while water conservation is great, it can impact income.

**Motion:** Board Member Gregerson motioned that we approve April 17, 2024 draft minutes Big Plains Water Special Service District meeting, and the April 2024 Disbursement Listing BPW Big Plains Water, and the Budget Report for Fiscal Year 2024 through May 13, 2024, and the April 2024 Water Usage Comparison.

Motion made by Board Member Gregerson, Seconded by Board Member Sair.

**Voting Yea:** Chairman Farrar, Board Member Merritt, Board Member Gregerson, Board Member Politte, Board Member Sair

The vote was unanimous and the motion carried.

**REQUEST FOR A CLOSED SESSION**

No request.

**ADJOURNMENT**

**Motion:** Board Member Merritt motioned that we adjourn.

Motion made by Board Member Merritt, Seconded by Board Member Sair.

**Voting Yea:** Chairman Farrar, Board Member Merritt, Board Member Gregerson, Board Member Politte, Board Member Sair

The vote was unanimous and the motion carried.

The meeting was adjourned at 6:35 p.m.

Date Approved: \_\_\_\_\_

Approved BY: \_\_\_\_\_

Chairman | Michael Farrar

Attest BY: \_\_\_\_\_

Clerk/Recorder | Jenna Vizcardo