

**Bear River Water Conservancy District
Board Meeting
Wednesday January 23, 2019 7:00 p.m.
Bear River Water Conservancy District Conference Room
102 West Forest Street, Brigham City, Utah**

Minutes

Present: Trustees: Roger Fridal, David Forsgren, Charles Holmgren, Jay Capener, Mark Larson, Richard Day, Russ Howe, Jay Carter, Tyler Vincent

Absent: Neil Capener, Jeff Scott

Staff: General Manager Carl Mackley, Systems Operator Robert Thayne, Administrative Assistant Jill Jeppsen

Other: Marla Young, BE County Clerk

Welcome: Chairman Roger Fridal

Invocation: Robbie Thayne

Pledge of Allegiance: Mark Larson

Adoption of the Agenda – Chairman Fridal

A motion was made by Board Member Larson to approve the agenda. The motion was seconded by Board Member Day. Chairman Fridal, Vice Chairman Forsgren, Financial Chairman Holmgren and Board Members J. Capener, Vincent, Howe and Carter voted in favor of the motion.

Approval of the Minutes for the Board Meeting held December 19, 2018.

The minutes of the Board Meeting held December 19, 2018 were included with the packet that was provided to the Board Members.

Financial Chairman Holmgren made a motion to approve the minutes for the meeting held December 19, 2018. The motion was seconded by Board Member Carter. All members voted in favor of the motion.

Financial Business – Charles Holmgren

Approval of Financial Statements

The financial statements for December 2018 were prepared and provided to the Board Members. Financial Chairman Holmgren has reviewed the reports and asked for the Board to approve them.

A motion was made by Board Member Day to approve the financial statements as presented. The motion was seconded by Board Member Larson. All members voted in favor of the motion.

Trustee Oath of Office:

Marla Young BE County Clerk administered the Oath of Office to Jay Carter, who was reappointed to the Board of Trustees by the County Commission on December 5, 2018.

Chairman Fridal asked to have a standard agenda item added to future agendas as:

Conflicts of Interest Declaration(s), If Any, with any of the agenda items.

He also stated we do not need a rollcall vote to open or close a public hearing, as was done in the last meeting.

General Manager's Report – Carl Mackley

Carl is grateful for the opportunity to be the General Manager of the District. He feels his past experiences have been preparing him for this position.

He is excited about the District's Master plan. It is a living document. When it was created it was based on the most current information, but it will be kept updated. In 5 years, things may look different. GM Mackley wants to emphasize outreach to communities in the county. The Master Plan was created working with the different municipalities and water systems, so it is also their master plan. Would like to continue to discuss their needs and interests. As the county grows it will be more critical for the water systems to cooperate and be able to back up the communities. We have seen some progress in this way. As we grow, we need to reach out to the municipalities and let them know who we are and what we can do to help them. It will also be a benefit to us to find out what their needs are. He suggested setting up a booth at the County Fair and Peach Days to let people know about the District. And possibly give attendees a survey or questionnaire about water use. Jay Carter said he has been asked why the District provides water to different communities? His answer is "someone has to". Charles Holmgren said the water companies in the area would appreciate open communication with the District. There was a discussion about a booth at the Fair and the information the District could provide to the public. Chairman Fridal thought it would be a good idea to attend to help people have a better understanding of who we are. Vice Chairman Forsgren thought one-on-one meetings with the different water systems in the county may be a better way to spend our time.

There was a short discussion on how the different water systems in the county are connected. It is great that the District can be a backup to several communities.

Carl continued by reporting Lance Nielsen of Hansen Allen & Luce has created a draft of our 40 Year Plan. It is being reviewed and it looks good. It is a summary of the Master plan that shows the water supply of the county. It shows that demand will exceed supply by the end of the 40-year period from now through 2060. Having the plan allows us to continue to file extensions of time until we can develop all of the water rights we have. He is grateful for the water rights that have been filed by the District, especially with the policy changes the State Engineer is making for our county. There was a moratorium placed on the county for new water right filings. The State Engineer did a ground water study through the Utah Geological Survey. It took a lot longer than anticipated and that helped the District with the timing of the filings. The study showed approximately 10,000-acre feet of additional ground water appropriations for the Malad and Bear River Drainage areas. It is known as the Malad and Bear River Ground Water Management Policy. The District made 5 applications about a year ago after the State Engineer came out with the policy. This policy could change, the amount is not set in stone. We are

following some applications that have been acted upon by the State Engineer's office. Right before the moratorium there were several applications submitted. They were held without action for approximately 10 years, until after this policy came out.

The Bear River Club Company (Duck Club) was the driver of the policy change, requesting that the study be done. The Duck Club was hoping the State Engineer would permanently close the valley to new approvals. Two of the recently approved applications (filed by Denton John) are currently in litigation and being appealed by the Duck Club. We will continue to watch these. The State Engineer has not taken any action on our applications yet, they are holding them. We don't need the water right now and it would be beneficial to wait until the others are litigated. They are also appealing a single-family domestic use application. There are about 7 applications totaling approximately 5000 acre-feet that were filed just prior to the beginning of the moratorium in the north part of the county. Our filings are for 3500-acre feet, leaving about 1500 acre-feet available if all are approved. There was a discussion regarding the continued monitoring of the litigation. It is critical for the District to plan for the future and have a broad understanding of what is going on in the county.

Cache Valley Property: We have had calls and one offer that will be discussed in a closed meeting.

The Division of Drinking Water has given us a deficiency for not having a backup power source for the Tremonton system, Bothwell wells. We are looking into the request and gathering more information. We will be required to have a solution in place this year. The state code is clear that a redundant power supply is required to have in the case of a power outage. We are looking at options and will talk to vendors at the Rural Water Conference next month about generators. We are looking at options of a permanent fixture or a generator that could be mounted on a trailer and moved to the different systems as needed. There was a discussion regarding the capacity of our system if the power were out, the size of the generator needed and other options. The first step is to determine the size of a generator needed to run the motor on the pump.

South Willard Stake Center Connection: After making arrangements to supply the church building with water, the initial construction of our system took longer than anticipated to complete and the Church needed the water as their construction was completed. South Willard Water Company (SWWC) provided a connection on a temporary basis. It has been 10 years and it is time to bring them back to us as our customer. All parties are in agreement and willing to make the change. They are connected to both systems and pay SWWC for the water even though the supply is coming from us, due to our pressure being higher. During talks with SWWC they have agreed to abandon their connection, at their cost up to \$10,000, if it goes over that amount the District would pay the difference. There was a discussion of the valves installed to serve the church property. Financial Chairman Holmgren recommended we need to move on and take back what we should be responsible for. There is another connection on the line that would be used for backup from SWWC. It is recommended by our engineers that the connection is abandoned correctly. The discussion continued with the point of simply turning off the valves and tagging them, and not doing a complete disconnect as recommended and previously agreed upon.

A motion was made by Board member Larson to turn the valves off and leave the rest of the infrastructure there, tagging it so it could not be turned on without our approval. The motion was

seconded by Vice Chairman Forsgren. Board Members J. Capener, Vincent, Day, Howe and Carter voted in favor of the motion. Financial Chairman Holmgren opposed.

It was agreed that there needs to be more discussion with SWWC. The option to turn off and tag the valves has not been previously discussed with them. There was concern that this needs to be done in a way to avoid potential leaks in the system.

Options for East Side Water Development: It is critical for us to be developing sources for our approved but undeveloped water applications. We currently have two sites in Deweyville and a site in Harper Ward that have been approved. We also filed a 1000-acre foot application for Honeyville that the State Engineer has not yet acted on. It is a difficult to narrow down the best options for the well sites because even if one aspect looks attractive, something else makes it hard. The Honeyville site is State owned by the Division of Wildlife Resources, we will be in contact to see if it is possible to drill on this property. The Deweyville site we filed on is on Forest Service land. This point on the mountain is impractical to access. It might be possible to access the very lowest part of the Forest Service property, but it is also designated wilderness. We will be working to get a definitive answer from the Forest Service if it would even be possible to drill on that land. Carl met with a property owner to discuss the possibility of drilling on his property. This will be discussed later in a closed meeting. Our engineer is working on a Criteria Table to help look at all the options of property access, hydrogeology and costs associated with the different sites. There should be some good areas in Honeyville, and our engineers shows there is water there that will not immediately impact springs and other wells nearby. We must look at all the different options and weigh the costs. The best water in quantity and quality is on the east side of the valley. We need to have good tools that will help us make the best decisions.

Project Updates:

Robbie Thayne – We are in the process of replacing the gate valves inside the Bothwell pumphouse. We rebuilt them and they still leak, so we are working to figure it out. We are going to replace the check valves, also. We will be working on all 17 PRV's in our systems. Some are not used much, only for fire flow, we will be cleaning them and rebuilding them as necessary. Cleanup in the shop is ongoing, though we have made a lot of progress. The new truck is ordered and will be coming in March. The goats are in their winter home with Nate.

Trustee Reports

Jay Carter reported they have 6 or 7 inches of snow at his home. There was a little rain. Looks better than last year. The Snotel Snowpack report shows about 40" of snow up on the on the top for the Raft River Basin.

Russ Howe Reported that some people have complained about the way the Board for the Thatcher Water System was doing things. They formed a committee and they want to change out all the valves on their system. Robbie Thayne told him they only need to be cleaned or rebuilt once every 3 years. Russ stated theirs are working great right now, but the committee still wants them changed. It was noted the committee can make recommendations to the Board, but cannot override them.

Richard Day – No report

Mark Larson – Asked a question about the weather modification program, there was a small discussion that followed.

Tyler Vincent – Reported that things are busy in Brigham City. We got a lot of snow in the mountains. We are at about 89%. Wind was blowing hard in Sardine Canyon. He is excited to have Carl as the new manager.

Jay Capener – Reported the Canal Company met with Tremonton City and are working through issues on delivering secondary water to Tremonton.

Charles Holmgren – We are going into meeting season. The Bear River Basin shows snowpack at 96%, vs. 81% this time last year. Most of the storms are going to the central and southern parts of the state. The Snotel for Idaho shows they are a lot dryer than we are. This coming week there is a Lower Bear Distribution System meeting in Logan on Wednesday. They evaluate the water use on the lower part of the Bear River, including Box Elder County. The water is measured below Cutler Dam, there has not been a lot of management of the water to this point. He received a notice from SWCA, a group of environmental consultants, dealing with the relicensing the Cutler Reservoir. They are having a half day public workshop in Logan on February 13th. Periodically the Cutler Dam has to be relicensed by the Federal Energy Regulatory Commission. Pacific Corp had previously talked about raising the water in Cutler 3 feet for additional storage. It seems it will not be included in this application.

Nathan Daug, the General Manager of the Cache Water Conservancy District is looking for sponsors for the Norther Utah Water Conference on April 3rd.

Bear River Water Users are looking to raise the level of Bear Lake, we don't currently know the outcome of their meeting.

Mr. Holmgren has measured 2 ½ inches of water this month at his farm.

Dave Forsgren – No report

Roger Fridal – Reported that Tremonton will continue to work with the Bear River Canal Company on the issues in regard to pursuing secondary water. This is not a choice for the city, it is the right thing to do. We appreciate the canal company and all they do.

Public Comment –No comments

A motion was made by Board Member Larson to close the general meeting and enter into a closed meeting to have discussion regarding the Purchase, exchange, lease or sale of real property. The motion was seconded by Board Member Vincent. A roll call vote was taken; Chairman Fridal, Vice Chairman Forsgren, Financial Chairman Holmgren and Board Members J. Capener, Larson, Day, Howe, and Carter voted in favor of the motion.

A motion to end the closed meeting and return to an open meeting was made by Board Member Vincent. The motion was seconded by Board Member Howe. A roll call vote was unanimous in favor.

A motion was made by Board Member Carter to find out who owns the equipment discussed in the closed meeting. There would need to be an agreement made with regard to the sub-lease of any buildings on our property that would state any income will be split with the District. The motion was seconded by Vice Chairman Forsgren. Board Member J Capener opposed the motion, all other votes were in favor.

A motion was made by Board Member Larson to table the offer received on the Cache Valley property for 60 days and see what other interest there might be. The motion was seconded by Board Member Day. All votes were in favor of the motion.

Vice Chairman Forsgren made a motion to make an offer to the property owner as described in the closed meeting to drill a test well. With the understanding if the test well proves to have adequate supply we would pay the additional amount discussed for a permanent easement and ownership of 1 acre of ground, all to be agreed upon before drilling the test well. The motion was seconded by Board Member Day. All Board Members voted in favor of the motion.

A motion was made by Vice Chairman Forsgren to proceed with an offer for the test well site as discussed in the closed meeting. The motion was seconded by Board Member Day. Board Member J Capener opposed the motions, all others voted in favor.

A motion was made by Vice Chairman Forsgren to adjourn the meeting. The motion was seconded by Board Member Day. All Board Members voted in favor.

The meeting adjourned at 9:40 PM.