

**Bear River Water Conservancy District  
Board Meeting  
Wednesday December 16, 2020 7:00 p.m.  
Bear River Water Conservancy District Conference Room  
102 West Forest Street, Brigham City, Utah**

**This meeting was held in the downstairs conference room and electronically via  
GoToMeeting.com**

**Minutes**

Present: Trustees: Charles Holmgren, Mark Larson, Neil Capener, Jay Carter, Tyler Vincent, David Forsgren, Jay Capener, Richard Day, Jeff Scott

Absent: Roger Fridal, Russ Howe

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

Other:

**Welcome:** Vice Chairman David Forsgren

**Invocation:** Richard Day

**Pledge of Allegiance:** Jay Carter

**Adoption of the Agenda** – Vice Chairman David Forsgren

A motion was made by Financial Chairman Holmgren to approve the agenda. The motion was seconded by Board Member Vincent. All Board Members voted in favor of the motion.

**Declaration of Conflicts of Interest:** Carl Mackley owns a lot that could benefit from the Collinston Secondary Irrigation

**Approval of the Minutes for the Board Meeting held November 18, 2020**

The minutes of the Board Meeting held November 18, 2020 were included with the packet that was provided to the Board Members.

Board Member Vincent made a motion to approve the minutes of the meeting held November 18, 2020. The motion was seconded by Board Member Carter. All Board Members voted in favor of the motion.

**Financial Business – Charles Holmgren**

**Approval of Financial Statements**

The financial statements for November 2020 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 Vincent to approve the financial statements as presented. The motion was seconded by Board Member N. Capener. All Board Members voted in favor of the motion.

**Public Hearing** to receive input on the 2021 Tentative Budget

A motion was made by Board Member Vincent to open the Public Hearing to receive input on the 2021 Tentative Budget. The motion was seconded by Board Member Day. All Board Members voted in favor of the motion.

There were no public comments

A motion was made by Board Member Day to close the Public Hearing. The motion was seconded by Board Member Larson. All Board Members voted in favor of the motion.

**Carl Mackley** - Presented the 2021 Budget, noting that there were no changes made to the tentative budget that was presented to the Board in November. He asked for a motion to approve and adopt the 2021 Budget.

A motion was made by Board Member Day to approve and adopt the 2021 Budget as presented. The motion was seconded by Board Member Carter. All Board Members voted in favor of the motion.

**Dave Forsgren** - asked the Board for a Resolution to Approve & Adopt of the following:

- 2021 Board Meeting Schedule
- 2021 Holiday and Pay Dates Schedules
- 2021 COLA for employees 1.5%
- 2021 Standard Mileage Reimbursement Rate of \$.58 per mile driven
- 2021 Lodging and Meal per diems as presented in packet

A motion was made by Board Member Larson to approve the 2021 Board Meeting Schedule, Holiday and pay date schedule, COLA for employees of 1.5%, the standard mileage reimbursement rate of \$.58 per mile driven and the lodging and meal per diems as presented. The motion was seconded by Board Member Vincent. All Board Members voted in favor of the motion.

### **General Manager's Report – Carl Mackley**

General Manager Mackley asked to board members to refer to his written report for information regarding Bothwell operations, combined State Revolving Fund application, Honeyville water modeling, RFP for general engineering, and Deweyville water right applications.

### **Collinston Pressurized Irrigation Project**

Board Member Carter asked why the District is considering a secondary water project when we should be looking at drinking water. Board Member Larson explained his opinion as to the availability of drinking water in the county and that the 'low hanging fruit' has already been taken. If we can increase water for domestic use by replacing some of the water being used from our drinking water systems with

secondary water for irrigation we should. Paul Fulgham from Tremonton City added some comments that in the summer months 70% to 75% of all water use is outdoor use. Tremonton is pursuing secondary water to supplement the drinking water supply. Board Member Vincent talked about Brigham City's secondary water. Board Member Day talked about new developments in South Willard being required to install secondary irrigation systems as the infrastructure is going in. He suggested the District also look at requiring developers to bring water (rights) with them for secondary use. The discussion continued regarding new development in the county. Board member Capener feels we are putting farms out of business if we are getting into the secondary water business and buying from the same sources that it takes to make those farms productive. Cost of Bear River Canal Company (BRCC) shares have increased as Tremonton City has developed secondary irrigation using BRCC shares, making it difficult for the farmers to compete with the cost. However, Board Member Capener also agreed that if the District is going to increase culinary water supply, we have to look at secondary water.

General Manager Mackley restated the District's mission statement: We endeavor to 1) Conserve and Protect water and water right, 2) Develop and provide water for municipal, industrial, and agricultural use and 3) Use these resources to best serve the residents of Box Elder County. He explained how secondary water projects fit into the mission of the District.

### **Regional Planning**

The District has been approached by JUB Engineers (JUB) to help the District with drought planning. JUB is good at finding and getting federal funding to help municipalities and districts to do projects. There is a Bureau of Reclamation (BOR) grant that is a 50% grant. There is also the PL566 grant which is up to 75% for secondary irrigation. The PL566 funding, under the Natural Resources Conservation Service (NRCS) is what we have partnered with BRCC on so they can get their canal project completed. We have heard from the NRCS that they like the project idea but want it to be bigger; from a \$25 Million project to a \$50 Million project. This means that even more Public Water Servers in the watershed project area need to be involved. PL566 funding is limited to those areas of Box Elder County that are within the Bear River watershed, so there are areas in the county that will not qualify for that funding, but would for the BOR grant.

JUB approached us about a month ago regarding drought resiliency planning. We have seen some effects of drought this past year and they recommended that we ask the State Division of Water Resources for \$10,000, which we will match, to update the District's Master Plan to include drought planning and also as a prerequisite to get funding for some of the projects listed in the Master Plan, if they pertain to drought, which some will. When the District completed the 2017 version of our Master Plan, it listed every public water supplier in the county and evaluated their water rights and water sources. However, we do not know to what extent outreach was made to include those public water suppliers. We need to be confident that our Master Plan is supportive of all the other public water suppliers and represents their plans. The Division of Water Resources approved our request for \$10,000 to update our Master Plan with a few conditions, one of which is they want us to create a template that other entities can follow. So that is what we will do.

General Manager Mackley met with JUB today and discussed the current Master Plan. It is a good plan, but it more specific regional planning is needed. If we were to divide the county into regions, the

Bothwell/Tremonton area would be one region composed of several public water suppliers. This is an area that could benefit greatly from a regional plan. North and east of there would be another region. Grouse Creek and several other areas could also benefit from regional planning. General Manager Mackley wants to get feedback from the Board on this idea.

With the \$20,000 we can update our Master Plan, hold some public meetings and focus on these regions within the county and help create a better plan for everyone. This will allow us to hear what each of the water suppliers need and provide some support and direction for them to be able to define projects and find funding. This puts the District in a supporting role for these other public water suppliers.

There was a discussion regarding the priority of the current projects going on in the District and the amount of time and money it takes to complete a project. Vice Chairman Forsgren thought there should be other priorities over a secondary irrigation system in Collinston. General Manager Mackley added he will be giving a more detailed presentation on this irrigation system later on in the meeting. The District must be versatile and able to look at several systems and problems all at once. The discussion continued regarding the cost of projects and the limited amount of money the District has on hand to pay for capital projects.

In regard to the Regional Planning, Board Member N. Capener said that Riverside North Garland (RNG) is in a quandary. Real estate developers have purchased about 200 acres and RNG is running out of water. Financial Chairman Holmgren added that realtors should not be subsidized by the District. There was a discussion regarding development in the county. The District should try and serve the community but should not price things at a level where we are subsidizing development. Mr. Holmgren added that whether it is secondary water or culinary water, it is still water and the District should be purchasing the well and water rights in Collinston if we can. General Manager Mackley added we must make the water we have work better for us. Our customers need to be more purposeful in how they use the water, and we will have to make some tough decisions for the future.

There are two large irrigation companies in the valley that control a lot of water. In Cache Valley there are over 100 irrigation companies, of different sizes. Here, Bear River Canal Company irrigates 68,000 acres in the Bear River Valley and Pineview irrigates a substantial number of acres south of Brigham City. This area in question in Collinston has already been subdivided. We sold water connections to the developer(s), including Sierra Homes. There is an irrigation well on the property that Sierra Homes doesn't want to use or develop. It makes sense to look at the cost and feasibility of taking the water right and turning it into a secondary irrigation system in order to save the District's culinary water. Collinston is located outside of any irrigation company's service area and the District can only ask people to provide irrigation water in exchange for culinary water for a development, in places where it already occurs. There is a 17-lot subdivision going in about 1 mile south of the Sierra Homes development. We have been approached by the developers of that property and have sold them the water connections. The additional 50 connections made available at the beginning of this year have almost all been sold. Sierra Homes is also looking to do more homes in the area, but we do not have any more connections to sell them.

Board Member Jay Capener said there was a discussion at the Bear River Canal Company Board meeting earlier today regarding the timeline for PL566. It may be a year or longer. He questioned if we had a timeline for wanting to install a secondary system where the PL566 money is so far out, still. General Manager Mackley explained this secondary irrigation project is the type of projects that the NRCS wants to see as part of this grant. It will take work and planning with everyone to make the projects come together at the same time. The PL566 funding changes all the time, it is very nebulous. The NRCS, who are the local decision makers for this grant, want these projects that are using Federal money to be large. It would take projects from several different water suppliers to meet the robust funding that they want to see in the Bear River Watershed. This ties back to the regional planning that we want to do. If the District is going to do projects that depend on getting funding, we cannot do them before we have the funds. It may be 1 or 2 years before we can do this project but now is when we should be planning for projects.

Financial Chairman Holmgren added that in the BRCC Board Meeting, they talked about including Tremonton, Garland, Elwood and the District partnering together from a flood control point of view. The NRCS is great at selling things, but to make it come to fruition depends on Congress passing a specific bill for the project. We are talking minimum of \$25,000,000 and the NRCS wants it to be \$50,000,000. They are talking about all the local communities' projects as well as the Canal Company projects plus the Bird Refuge and the Duck Clubs, they want to have everyone involved. The benefit of the NRCS funding is 1) it will fund 75% of a project as a Bureau of Reclamation project will only fund 50% and 2) they will fund the background and research work towards a project. The Canal company will not have to have funding until construction begins, the NRCS will absorb the planning and engineering costs.

General Manager Mackley ended this discussion by stating The District will do all the planning we can but we have to be realistic by making smaller projects that can be completed. It will be great if we can get some projects complete with 75% funding, but if not, it is easier to get 50% funding from other sources.

General Manager Mackley gave a Power Point presentation to the Board on the Collinston Secondary Irrigation project that shows the well location and potential service area, water quality, and water rights.

There was discussion on how far along the subdivision development is and if the homes being built are plumbed for secondary water. The property owners in the area that have been contacted are interested in a secondary water system. The discussion continued regarding our tiered rates for culinary water and managing a secondary system. The State now requires all secondary water to be metered.

Board Member Scott commented it is worth exploring if the water rights were at an attractive price, and there would need to be buy-in from the residents and he questioned how big of a footprint would the District have there, and could we do a culinary well in proximity? If the water quality is good, it would be a good place to develop culinary water. Having the water rights and the ability to drill a culinary well in the area is more attractive than having secondary water.

General Manager Mackley pointed out that the existing well could not be changed to a culinary production well, but we can use it as a test well and drill a culinary well close by. A culinary well must have a 100 foot radius as Source Protection Zone 1, or about an acre. The homeowners that have been spoken to are excited to have secondary water and are supportive of granting easements for the secondary water. Finding a location for the culinary water is a little more difficult due to the need to have at least an acre of land. The question was asked if there was enough water to supply both the secondary system and a culinary well if we decide to drill a culinary well. We do not have enough data yet on the existing well to know what the volume potential is. We would have to do aquifer testing to know what the limits are and if the two wells would compete. An example is our Newman and backup wells in Bothwell, they are only about 100 feet apart, one is about 200 feet deeper than the other, but they only draw each other down about a foot when one of them is running.

The Flat Canyon well is being designed to run 20 hours per day at 125gpm. This will contribute a significant amount of water to our Collinston system. If we are able to add another source of our own on the system we would have the two required sources to run the system. Then if we add a secondary system, we will stretch the culinary sources even more, plus providing useful, secondary water for these properties.

We looked at the wells by the Bear Hollow subdivision. These are wells similar to this well in Collinston as far as they are not being used. The Bear Hollow wells are too far away from our system and the smell and taste are bad. We drilled the Flat Canyon well farther south and purposely avoided the Collinston area because we were afraid the water would have arsenic in it. This Collinston well has opened some possibilities that were not there before.

For the State Revolving Fund applications, the State would like to see projects combined for larger amounts at one time versus the smaller applications we have been making. To be able to combine a culinary well project in Collinston with the Flat Canyon Well project would be beneficial for funding.

General Manager Mackley asked for support from board to pursue purchasing the well and water right. Separately the well and the water rights both have value. We would have to get an easement for access to the well. We would need to meet with the property owners to discover what their interest in giving the Districts the easements and selling us the well.

The discussion continued talking about the pricing for secondary water and culinary water. It was noted that if we had secondary water it would make new connections available on the Collinston system and we would collect impact fees to help pay for the projects. There would also be impact fees for the secondary water users. We do not have all the numbers yet; we will be working on a financial plan to present to the Board.

There was a discussion with Paul Fulgham from Tremonton City on the financing options for secondary water, the pricing structure Tremonton City uses for secondary water and he explained some of the features on the 'smart' meters for secondary water.

Board Member N. Capener said he is in support of investigation if we can get funding. We do not want to spend money on a secondary system if we cannot get funding, we should be spending it on culinary.

Sierra Homes owns the water right, they do not own the well. The property owner of the parcel with the well is Luis Quintero, and he is interested in having secondary water. We would have to have an easement for access and a quit claim deed for the well. Both Sierra Homes and the property owners have been cooperative with us during testing, etc.

Board Member Scott made a motion to authorize the General Manager to proceed with negotiations on the purchase of the water rights and well. Financial Chairman Holmgren seconded the motion. All board members voted in favor of the motion.

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE BEAR RIVER WATER CONSERVANCY DISTRICT (THE “ISSUER”), AUTHORIZING THE ISSUANCE AND SALE OF NOT MORE THAN \$210,000 AGGREGATE PRINCIPAL AMOUNT OF WATER REVENUE BONDS, SERIES 2021 (THE “BONDS”); AUTHORIZING AND APPROVING THE EXECUTION OF A MASTER RESOLUTION AND OTHER DOCUMENTS REQUIRED IN CONNECTION THEREWITH; AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION; AND RELATED MATTERS.**

Financial Chairman Holmgren made a motion to adopt the Harper Ward Test Well Parameters Bond. Board Member Vincent seconded the motion. All Board Members voted in favor of the motion.

General Manager Mackley gave a Power Point presentation on the Harper Ward Rate Study Results and Recommended Harper Ward Rate Increase and new tiered rate structure as shown on the following table.

PROPOSED BRWCD MONTHLY HARPER WARD RATE STRUCTURE (Post 2020)					
Tier	Rate	Range (x 1000 gallons)		Cost (\$)	
		Bottom	Top	Bottom	Top
Base	\$49.00	0	10	\$49.00	\$49.00
1	\$2.00/1K gal.	10	100	\$49.00	\$229.00
2	\$3.00/1K gal.	100	200	\$229.00	\$529.00
3	\$5.00/1K gal.	200	400	\$529.00	\$1,529.00
4	\$7.00/1K gal.	400	700	\$1,529.00	\$3,629.00
5	\$10.00/1K gal.	700	Infinite	\$3,629.00	Infinite

Board Member Scott made a motion to adopt the Harper Ward rate increase and tiered rate structure as presented. Board Member Larson seconded the motion. Vice Chairman Forsgren, Financial Chairman Holmgren and Board Members Scott, Vincent, Carter, Day, J. Capener and Larson voted in favor of the motion. Board Member N. Capener voted against the motion.

**System Operations – Robbie Thayne**

Water use has slowed down. The Farm is not taking water, Bothwell Water is taking some and Tremonton is taking a little, as usual.

The Backup well enclosure is in progress, the framing is almost complete, and trusses are going up tomorrow.

There has been no progress on South Willard well, the crew has had COVID-19. They are waiting for clearance from health department to return to work and try to remove the pump. The pump is out of the well about 11 ½ feet and is really stuck hard.

We have been taking water from SWWC. We appreciate them and their efforts to help us. We rent a generator once a month and pump water up to our tank so we can provide fire protection on our system. We are only putting about 6 ft of water in the tank and keeping the residual as high as we can, still only delivering about 5 gallons a minute. The water quality is improving in the transmission lines. We are working on getting bids for a tank mixer, lowest one is about \$18,000. (Board previously approved \$40k for mixer)

We are planning to clean and work on PRVs through the winter months.

We are updating our Cross Connection Plan and implementing that, as the State has required.

Andrew is doing well with his GIS classes; he finished this first semester with an A- average.

In Bothwell we are looking at changing things to use the Newman well strictly for the farm, and the backup well strictly for culinary and adding a VFD on the big well. The power company will pay up to 70% of the cost of the VFD. Marbles will take care of the infrastructure they need, which is mostly telemetry on their pivots. We are restricting the amount of water they use to 2 pivots at a time, they are restructuring their pivots to be more effective. We will have to put a valve in the pumphouse to be able to separate the wells and to prepare for the VFD. There will be some expense on our part but most of it will be Chanshare's.

The goats are at their winter home and seem to be doing well.

### **Trustee Reports**

**Jeff Scott** – Glad to have a little water. At the December 4, 2020 County Commission meeting the County Commission re-appointed Richard Day, Mark Larson and Jay Capener to serve another 4-year term on our Board of Directors.

**Jay Carter** – Got a little bit of snow this last week, about 3 inches, still very dry.

**Richard Day** – No report

**Neil Capener** – No report

**Tyler Vincent** – Left the meeting early, no report

**Mark Larson**– No report

**Charles Holmgren** – The cloud seeder has been set up, but they have not called yet to use it. I participated in a meeting with a group that is monitoring drought conditions, including the NRCS, Division of Water Resources project. They want to find out what is actually happening on the ground through this drought. It was a positive meeting. The rain gauge at the farm shows 19 hundredths so far this water year, not quite up to 2 tenths, yet. The past water year, which ended October 2020, was 9.75 inches, the previous year (2019) was 24.25 inches, and we are starting out dry this water year.

**Dave Forsgren** – No report

**Jay Capener** – No report

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

The meeting adjourned at 9:45 PM.