

**Bear River Water Conservancy District  
Board Meeting  
Wednesday September 22, 2021 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, Mark Larson, Russ Howe, Jay Capener, Richard Day, Jeff Scott, Tyler Vincent, Jay Carter

Absent: Neil Capener

Staff: General Manager Carl Mackley, Systems Operations Manager Robert Thayne,

Other:

**Welcome:** Chairman Roger Fridal

Invocation: Richard Day

Pledge of Allegiance: Jay Carter

**Declaration of Conflicts of Interest:** None

**Adoption of the Agenda** –Chairman Roger Fridal

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

**Approval of the Minutes for the Board Meeting held July 28, 2021**

The minutes of the Board Meeting held July 28, 2021 were included with the packet that was provided to the Board Members.

Financial Chairman Holmgren made a motion to approve the minutes of the meeting held July 28, 2021. The motion was seconded by Board Member Day. All Board Members voted in favor of the motion.

**Financial Business – Charles Holmgren**

**Approval of Financial Statements**

The financial statements for July 2021 and August 2021 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 Vice Chairman Forsgren to approve the financial statements as presented. The motion was seconded by Board Member Vincent. All Board Members voted in favor of the motion.

## **Board Meeting Training**

Refer to handout in the packet for on-line training.

## **System Operations – Robbie Thayne**

We fixed two mainline water leaks in Bothwell on the same day. Both of them were at connections to the transmission line.

Sanitary Surveys are coming up for Bothwell and Collinston, next week. The inspector will be from the Bear River Health Department.

We have been doing research on water rights for more water in Beaver Dam. We have a couple more springs at Early Park that we have rights to. The Church of Jesus Christ of Latter-Day-Saints uses that water to water the lawn at the park, however it is our water, under our rights. We have done some water quality testing and the quality is better than the springs we are using. This would add about 15+ gpm to the current sources. There was some discussion about the water the Church is using. We would need to do some development on the collection boxes to capture it all and transport it about one half mile to our treatment building. Our water is going into an existing 2-inch line, we may consider increasing the size of that line as part of the project.

We are taking water from South Willard Water Company right now to fill our tank. We take it for about a week every 3 months. We appreciate SWWC for the water.

Peterson Brothers has been working for a couple of months trying to get the equipment out of the well. They tried to get the shaft out but didn't have any luck. They hooked up a 50-ton hydraulic jack to it on each side with a spider on the top, they pulled it about 2 feet and could not move it any further. Then they connected a 150-ton jack to it. We decided they were either going to break it and be done, or they were going to get it out of there. They put a drilling rig on it and have been able to pull 12 stages of the 16-stage pump out. They only have about 4 feet left to remove. The pump will remain in the well, we have broken the shaft loose and will get the shaft and tube out. The pump is at 500 feet. We will seal the well off from there down. They may be able to put their drill bit on the pump and drill the well down. There is a piece of tremie tube that has disappeared in the well, it is possible this is what the pump is stuck on. There is about 150 feet of water above the existing pump. We could easily put a submersible pump in it. The volume of water from the well should not change, it should remain at the 200 gpm to 250 gpm that it has been.

Robbie stated that Carl gave details in his GM report about the Harper Ward test well. The test pumps have been good and the water quality is better than it was at 800 feet. It is cased to 452 feet because the hole would not stay open below that. The test well has given us good information on drilling a production well.

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

**Sources for Collinston System** – Deweyville Town has concerns about the drought and its effects on their spring sources and they are exercising their option to exit the agreement early. They originally wanted to give us a one-year notice, we told them we would have to have two years. It usually takes one year to get funding and another year to complete the project. It is in our best interest to develop our sources for the Collinston system; this needs to be a high priority. The Board Members were given a packet with cost estimates for the project. We have commitments for 250 acre-feet per year. The Flat Canyon well will only reliably produce about 180 acre-feet per year so we will need a second source in Collinston. A big part of that commitment is Ukon Water Company. They have

reserved a large portion of water, but they have not taken their full amount yet. There was a discussion regarding the letter of notification received from Deweyville Town.

General Manager Mackley recommended to the Board that we drill a well in Collinston on the land that we already own. There was a discussion of our water rights for Collinston. The small irrigation well near the Mackley home has shown there is good quality water in the area. The first priority must be to get the Flat Canyon well in production. We have learned a lot from the other two test wells we have drilled on this mountain and believe we can drill a production well in Collinston by our existing tank. This is an ideal location as far as source protection is concerned.

**Sources of Funding** – It will be an estimated \$1.2 million to put the Flat Canyon well online. This includes paying for the land, the power, the pump station, adding a chlorine room to the south booster station, engineering, and property easements. We have submitted an application to the Governors Office of Planning and Budget for American Rescue Plan Act (ARPA) funds. This is a 50/50 match. JUB Engineers (JUB) helped us file the application. The State received \$50 million in ARPA funds and have received almost \$1 billion dollars in requests. Our chances are about 1 in 20 of receiving the funding. We should know by mid-October if we will get the money, and we would receive it sometime in November, if we are approved. There was a discussion regarding the money the State received and how it was allocated.

The next round of funding applications we are working on is with the Bureau of Reclamation. This application is due the first part of October. JUB is helping with this application, as well. You can apply for a project up to \$4 million, \$2 million would be a grant so we would have to match \$2 million. The projects that are included in in this funding are the Collinston well (\$1.36 million), the Harper Ward production well and tank (\$1.9 million) and South Willard replacement well or second source well (\$680,000). The total for all three projects is just under \$4 million. These are all projects that are in the Master Plan, only the timing for the project has changed. There was a discussion on developing the Harper Ward well and sending the water to the north. We are trying to take advantage of funding that is more available this year. There were questions on the estimated amounts of the quotes and the difference in the types of drilling. If we were to be awarded the money for this application, we would not be bound to take all the money if we decided to not do all the projects.

One other option for funding is part of the ARPA funds from the County. We have already gone before the County Commission and requested \$3.6 million. Box Elder County has \$10.8 million in ARPA funds that they have been given. One of the main purposes of this funding is for water infrastructure. General Manager Mackley made a request to the county in the amount of 1/3 of the entire amount or \$3.6 million over three years' time (\$1.2 million per year for three years). It would be fantastic if the County could support the District with some funding for water infrastructure in the county! They have been gracious enough to listen to our request, but they do not want to commit any funds at this time. They have had several requests for this money, and they want to evaluate all of the requests. It would be valuable if we could discuss the issue further with the County Commission and General Manager Mackley asked the Board Members to get involved with this issue and reach out to the County Commissioners as well, either formally or informally, both as representatives of the Board of Trustees and on behalf of the areas that Board Members represent in the county. If the County Commission wants to see any improvements to water projects, water supply and infrastructure in the county, this is the perfect opportunity for them to promote that. General Manager Mackley said "*I doubt*

*we'll ever see a more obvious and easy way for [the commissioners] to support water supply in the county than this."*

Board Member Jeff Scott responded by stating the County is taking the same stance that the State has done with their \$1.5 billion. *"We have to have it allocated by Dec 31, 2024; it has to be spent by Dec 31, 2026. The one big concern is if we take \$1.5 billion dollars and pump it all into the Utah economy in a 12 month period, we will see more hyperinflation. We are finally to a point where construction costs are starting to come down, they went up 40% to 80% in some areas. Not to mention the costs of materials as well as the cost of labor and the labor shortage. It is impossible to deploy that much money. The State has taken the stance that they are going to release this money a little at a time over a 3 year period to not have a shock to the system and keep everyone working. The County is also getting a lot of requests. It is easier to budget when it is a lean year, but everyone knows we have this money. It is like winning a lottery ticket, all of a sudden, all your 'friends and family' are coming in and asking for money. It is to be spent in the areas that have been talked about and the County is trying to make sure that anything we spend taxpayer funded dollars on is the highest and best use. Water is obviously one of those, but we want to consider how many people it is going to benefit, how much is coming in from the entity, and other matching sources."*

General Manager Mackley asked the following questions, Board Member Scott gave the answers:

Q. *"Do you envision an application process, so you have a defensible way of choosing which 'friends and family' you allocate the money to?"*

A. *"The Utah Association of Counties (UAC) is considering bringing in a consultant on ARPA. The document originally started out 156 pages from the Treasury on what you could and could not do with the funds, they are still trying to refine the process. We are not in too big of a hurry because we have until December 2024 to allocate it, and we want to be cautious and get good projects and not give knee-jerk responses. One of the first things the County did was to check and see how to send the money back. If you send it back, it just gets allocated to someone else."* There was some talk about the national budget and debt. *"The County is working with UAC to make sure it is equitable for everyone. We are hoping to allocate some of the money by the end of this year."*

Q. *"Are you going to try to set aside a set amount for each of the designated purposes?"*

A. *"It does not make sense to do so at this point."*

There was a discussion on the number of homes that are being built in the county, and that we need to be able to provide water to these homes.

Financial Chairman Holmgren made a motion that the General Manager move forward with looking for funding with South Willard well replacement well as first priority, noting the Flat Canyon well funding is on a separate application, Collinston well as second priority and Harper Ward well and tank the third priority. The motion was seconded by Board Member Larson. All Board Members voted in favor of the motion.

**Collinston Water Rights Purchase** – Sierra Homes is trying to sell the water rights that are associated with the secondary irrigation well in Collinston. General Manager Mackley is asking the Board if they are interested in purchasing those rights? Considering what is going on in Deweyville and the fact that we are not interested in doing a secondary irrigation

project in that area at this time, the only value that they would have to us is if we could transfer them into a well. They are asking \$1,500 per acre-foot for roughly 40 acre-feet; the price has not changed from a year ago. There was a short discussion on changing the irrigation rights to culinary rights. We previously told Sierra that we would not purchase the water rights unless a change application was approved, so the purchase would be conditional upon the water rights being in good standing and we have an approved application. We can use the full amount of the water right since it will be used in the same area.

The question was asked, if we drilled a well by the tank in Collinston, would we transfer these rights to that well?

We already have approved rights that we can move to that site when we drill a well.

The question was asked if we do not need them for a source in Collinston, is there any reason to purchase these rights?

The short answer is no, but there may be value in the future. If we don't purchase them, it is just a waste of the water rights and a source. They may or may not be able to market them someone else. They are also thinking they could move the water to Willard and use it there, but it is unlikely the State Engineer would approve that.

It was suggested that the residents have a homeowner's association to purchase the water rights and develop a secondary water system.

A motion was made by Financial Chairman Holmgren that the District offer Sierra Homes \$30,000 for the water right, payable in 2022 based on an approved change application. The motion was seconded by Board Member Day. Favorable votes were cast by Vice Chairman Forsgren, Board Member Larson, Board Member J. Capener, Board Member Howe, Board Member Carter, Board Member Scott, Chairman Fridal. Opposing vote was cast by Board Member Vincent. The motion carried.

**Beaver Dam Impact Fee Study** – This has been a valuable exercise, the update to the Impact Fee Study is needed for this system. We did an Impact Fee Study in 2012 when the system was being set up. There were some assumptions at the time as to how much water each Equivalent Residential Connection (ERC) would use in a year. We have 10 years of data since that time, so we can update our numbers going forward. There is a lot of interest from developers in this area that has not been there in the past. The water rights have not changed. We have 37.222 acre-feet or a maximum of 294 gallons per minute (gpm). We have additional springs to develop; Sleepy Hollow Springs number 2, 3 and 4 that are lower in elevation than the existing Sleepy Hollow Spring that we utilize. We have easements for all of them, the water quality is good, and we would have to figure out source protection. We need this water collected in our system. This year we were down to about 30 gpm from the combined springs that we access. We measured at least 12 gpm from these other springs that we have rights to, that the Church has been using for Early Park. We could easily put that in our system. This information has been communicated to the Missionaries at Early Park and we have a connection with the Church Natural Resources department that came out and reviewed the information. They know we have water rights and that they gave us easements for in 2012. We have been communicating with the Church. This is the first year we have cut them off from using our Upper Sleepy Hollow Spring for watering the park. In

the past we have turned the spring over to them on Friday evening until Monday morning. They have been running 5 to 8 sprinklers at a time, this year they could only run 2 at a time by using the District's Lower Sleepy Hollow Springs. When the flow is available, as it has been in years past, we let the Church use the whole stream for the weekend. We want to continue to allow them to use the water, maybe through a wholesale connection, or possibly they could transfer some of their water right to those springs so they can use it when we do not or cannot use it. We are talking with them about the options. General Manager Mackley showed the water rights map to the Board Members to illustrate where the springs are located and the area that the Church waters. We currently have a 2" line to transmit the Sleepy Hollow Springs water to the treatment plant. We are only able to put 25 gpm in the pipeline, there is something that is restricting the line.

The ERC on the Beaver Dam system in 2012 was estimated to be .712 acre-feet (AF) per year. People are using about .48 AF per year. It is basically indoor use only due to most customers owning their own wells for irrigation. We are making the argument that we need this to continue, especially in drought years like this year. If people were allowed to use water for outdoor use, we could not provide any additional connection since we don't have wells to pump, we only have what the springs will produce. If we tap into the existing water rights and these other springs, we can provide more water. The largest concern is for outdoor use, is that the spring production drops when people are using the most outdoor water in July and August. There needs to be protection put in place for when this happens. We can provide a certain amount of water, but if they want outdoor water, they will need to drill their own wells. We are recommending that we change the ERC to 0.572 AF per year and let people use their own well for outdoor use. There have been several wells approved in the area and if we are providing some of the water, it is more likely the State Engineer will approve applications for outdoor use. It benefits the existing residents vs. developers coming in and filing for wells that include more than just outdoor use. It is a healthy compromise that we will provide a certain amount of water and they would need a well for irrigation. There was a discussion regarding existing residents that have a well for all of their water. Our concern is with the new developments coming in and wanting to do subdivisions.

The 2012 Impact Fee Study allowed for 52 connections, if we drop the ERC as shown, then we can do 65 connections, for indoor use only. We can keep the impact fee the same amount for the additional 13 connections, and we would have \$60,000 to use to develop the springs and put them in our existing system. We should also consider putting in a new 3" line, then the impact fee would need to be increased by about \$4,000 to pay for the improvements. This may be a lot to ask if we are also asking them to drill their own wells.

The original impact fee was set low because the system was built almost completely with grant money. At this point it is reasonable to consider a couple of system upgrades and use the impact fees to pay for them and would not have to find additional funding for the project.

We need to hold a public meeting for the Beaver Dam residents to present this information to them and to adopt the updated Impact Fee Study and have a policy in place. That will take place at next month's Board Meeting.

General Manager Mackley asked the Board for support and their opinions on the proposed updates to the study. He also stated that we have a waiting list of people that want connections. We have put them on hold until the Impact Fee Study is adopted.

There was a discussion regarding the size of the line and if 2" is large enough, where the water would be piped, and how it would be put in the system.

A motion was made by Financial Chairman Holmgren to limit the ERC to .572 acre-feet per year for indoor use only and selling a total of 65 connection and proposed to set the impact fee at approximately \$8450. The motion was seconded by seconded by Board Member Carter. All Board Members voted in favor of the motion.

Board Member J. Capener asked the question if there would be a 'grandfather' provision for current customers that do not have their own outdoor source. We have sold 6 connections this year, it would not be too late to require they have another source. The original people have had 10 years to show what their water use is, it is not going to change. It is the new developers coming in that want to put in subdivisions that are the concern.

**Drought Resiliency Plan** – We have the final version of the Drought Resiliency Plan. One big change you will see is Andrew Beecher updated the map from the 2017 Master Plan map to reflect the completed projects. General Manager Mackley asked the Board to adopt the Drought Resiliency Plan.

Board Member Day made a motion to adopt the District's Drought Resiliency Plan. The motion was seconded by Vice Chairman Forsgren. All Board Members voted in favor of the motion.

**Conservation Efforts** – General Manager Mackley said the Drought Response plan has been successful and referred the Board Members to read about the results in his General Managers written report. It has saved water, and it has helped us find leaks through reading meters once per week.

## **Trustee Reports**

**Jeff Scott** – no report

**Jay Carter** – no report

**Richard Day** – no report

**Russ Howe** – no report

**Tyler Vincent** – It rained in Idaho over the weekend.

**Mark Larson** – no report

**Jay Capener** – no report

**Charles Holmgren** – Acme water has connected a 20-home subdivision NW of Bear River City in the last week or two.

In reviewing the water right accounting, the Bear River Canal Company has about 8100 acre-feet remaining to use this year.

Todd Adams, the Director of Water Resources, has been promoted to Deputy Director of the Department of Natural Resources and Candice Hasenyager has been named Director of the Division of Water Resources.

We have heard The Bear River Bird Refuge is going to call the river down on the canal company on October 1, 2021.

There was a discussion at the Board of Water Resources about a new area that is going to participate in cloud seeding in the Book Cliffs area. It is a private group and not a water district that is asking for the cloud seeding. The lower basin states on the Colorado River are paying the sponsorship portion and the State will contribute their portion. It brought up the idea that maybe in this area we should consider extending the time for seeding to include the months of November and April in Box Elder and Cache County as they do in other areas. This might be something we would have to consider next time we do truth in taxation, to have the funds to expand.

**Dave Forsgren** – no report

**Roger Fridal** – no report

A motion was made by Board Member Day to adjourn the meeting. The motion was seconded by Board Member Carter.

The meeting adjourned at 9:20 PM.