

**Bear River Water Conservancy District
Board Meeting
Wednesday April 27, 2022 7:00 p.m.
Bear River Water Conservancy District Conference Room
102 West Forest Street, Brigham City, Utah**

Minutes

Trustees Present: Roger Fridal, David Forsgren, Neil Capener, Richard Day, Dennis Bott, Jay Capener, Jay Carter, Joe Summers

Absent: Jeff Scott, Mark Larson

Staff: General Manager Carl Mackley, Assistant General Manager Andrew Beecher, Systems Operations Manager Rob Thayne, Administrative Assistant Jill Jeppsen

Other: as listed on the Visitor's Attendance Sheet

7:00 PM – Chairman Roger Fridal: Welcome
Invocation: DJ Bott
Pledge of Allegiance: Joe Summers
Declaration of Conflicts of Interest: None

Adoption of the Agenda

A motion was made by Financial Chairman Holmgren to approve the agenda with the correction of who is conducting the Financial Business. The motion was seconded by Board Member Bott. All Board Members voted in favor of the motion.

Approval of the Minutes for the Board Meeting held March 23, 2022

The minutes of the Board Meeting held March 23, 2022 were included with the packet that was provided to the Board Members.

Board Member Bott made a motion to approve the minutes of the meeting held March 23, 2022 with one noted correction. The motion was seconded by Board Member Day. All Board Members voted in favor of the motion.

Financial Chairman Charles Holmgren – Financial Business, Approval of Financial Statements

The financial statements for March 2022 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 March 2022 financial statements as presented. The motion was seconded by Board Member Carter. All Board Members voted in favor of the motion.

Shane Barthlome and Ryan Stokes of Saddlewood Development and Jim Flint of Hansen & Associates presented a Petition for Water for their Summer Land Ranches development in Bothwell. Phase I is a 70-acre parcel with twelve 5.5 acre lots. This is on the corner of 13600 N. and 10800 West. There are existing water distribution lines in both of these streets. It was noted that the petitioners have an irrigation well on lot 1. A secondary water system will be installed. There will be an 8" line coming off the 12-inch existing line on 10800 W. to provide fire protection and water to the back lots.

The District has water available for culinary use. There was a discussion about the water coming from our Bothwell system and how it is distributed. General Manager Mackley gave a summary of our Water Right.

The Petitioners are in the process of working with the County for approval. They cannot get final approval until the water is approved.

There was a discussion on how to ensure the secondary water is in place before the culinary water can be turned on. There will be language included in the Development Agreement that the District's water is for indoor use only.

A motion was made by Board Member Bott to approve the petition for culinary water for phase I of Summer Land Ranches. The motion was amended by Board Member J. Capener to include a stipulation that secondary water is in place prior to culinary water being turned on. The amendment was accepted by Board Member Bott. The motion was seconded by Vice Chairman Forsgren. All Board Members voted in favor of the motion.

Stuart Clason – Utah Association of Counties on behalf of Box Elder County.

Solar RDA Changes

In 2020 through an Interlocal Agreement this Board gave approval to participate in tax incentives for two solar projects in the northern part of the county. They are called Rocket and Steel. The developer had approached the county this year and asked to amend the plan and extend the boundary areas. The county has gone through the process of amending the project area plans. We are asking this board to make a vote in accepting the amended plan.

Mr. Clason reviewed the budget numbers on the original agreement by which the District was set to receive ~\$100,000 between the two projects over 20 years. The developers were asked by Rocky Mountain Power to expand their project. Both project areas are expanding, and the total income will be approximately \$195,000 to \$204,000 between both projects for the District over a 20-year period. An increase of approximately \$100,000. These projects are 99% personal property tax.

The developers are under contract with Rocky Mountain Power to provide the power and are ready to begin construction as soon as these tax incentives are approved.

A motion was made by Board Member Bott to approve the Solar RDA changes as presented. The motion was seconded by Board Member Day. All Board Members voted in favor of the motion.

Public Comment Period

No public comments

Carl Mackley – General Manager’s Report

We have had discussions with several individuals and developers about water lately. Randy Marriot owns the elk farm in South Willard. They want to do a retail connection there for about 175 head of elk on some of their property. They are expecting to use about 3 to 5 gallons per minute (gpm). There was a discussion regarding the location of the connection.

There is also a small industrial building on the highway that wants to expand their business and will need more water. They are currently connected to South Willard Water Company. They have 7 connections and use 4. They want to upsize to a 2” connection but are unable to give SWWC an estimated volume of use. They have contacted us to see if it would be a possibility to get water from us.

Carl will be meeting with SWWC on the 5th of May to update them on our well situation.

We hear rumors that sewer connections are going to be made available to the pending development that has a reservation agreement with us. It is important that we get our well back online. Robbie will talk more about that in his report. There is also talk of annexation for this development, but it would be an island. Willard City approached us about 3 years ago to see if we would shut off the water if the homeowners do not pay their sewer bill to Willard City. We have not talked to them since.

There have been other requests for water in the Bothwell area from developers that are frustrated with West Corinne Water Company. We sold an additional volume of water to WCWC on an incremental scale over the next few years. They are in the process of updating their impact fee study before they sell any new connections. We have let the developers know of our policy to not sell water in another water supplier’s service area unless they have a written denial from the public water supplier that services that area.

The infrastructure funding package that is being put together should be finalized next month. We already have approximately \$1.3 million from Box Elder County for ARPA funds. We also have a pending agreement with the Bureau of Reclamation for \$2 million. They will reimburse us for expenses, or we can send them the bill and they will pay it. After last month's meeting, we filed the State SRF application with the Drinking Water Board. It looks like we will qualify for a 20-year loan at 1% interest. With these funds we are funding water projects in every water system except Bothwell. We have outdated impact fee plans for each of these areas. Our wholesale water is one rate no matter where it is being used in the county, but our retail systems all have different pricing structures and impact fees. Doing major projects in all other systems and tying it all together under common funding, it makes sense to combine a single impact fee across these systems (excludes Bothwell).

We have not run any numbers for this yet to see what the changes may be to the current impact fees. One thing that will help keep impact fees down is because we have gotten a lot of grant money for these projects. There was a discussion on prices of materials, in general. Retail rates would not change. There would need to be an impact fee study in order to make any changes. The Impact Fee and Analysis Plans should be updated every 5 to 7 years, ours have not been updated. It was suggested that with the inflation that we are seeing, we may want to shorten that time. The study would identify the number of connections and water availability in each system, we would just standardize the impact fees. Our service

area and authority are the entire county, so let's make our impact fee common for our service area.

There were questions on why Bothwell would be excluded from the study. Bothwell needs some infrastructure upgrades, but there are so many unknowns at this time it would be better to wait and do a separate impact fee study for that area. It was also mentioned that we should have a legal opinion to make sure it would be correct to standardize the fees. Infrastructure upgrades to deliver water to wholesale customers are paid through the wholesale rate. Board members were reminded that impact fees are only for retail connections, which we only have about 300. Wholesale connections make up the majority of our water sales. The wholesale rate has not been adjusted since 2007.

Currently we operate as several different companies, each system being its own company, but the bigger we get the more we need to operate as one company.

A motion was made by Financial Chairman Holmgren to instruct the General Manager to change our policy and standardize impact fees for retail customers in our service area with the exception of the Bothwell Pocket.

There was a concern raised that standardizing the rates may cause funds to be allocated in an insufficient manner. Most of our systems have stood on their own to some degree to do with costs. General Manager Mackley added that there would still be individual retail rates on each system. This is where the local customers pay their share. The retail rates are to cover the operation and maintenance of the systems. After the impact fee study, the plan will have to be adopted by the board members.

The motion was seconded by Board Member Summers. Favorable votes were cast by, Board Member Bott, Board Member N. Capener, Board Member Day, Board Member Carter and Chairman Fridal. Opposing votes were cast by Board Member J. Capener and Vice Chairman Forsgren. The motion carried.

Water Service Policy Updates. The Board Member packets contained a copy of the proposed updates to the Water Service Policy. The basic policy outlines that the District is mainly a wholesale water provider. We are changing the policy that we may also consider petitions for new retail water. Our mission statement and our bylaws state that the District may provide water services of any type necessary to fulfil its purpose and mission. This could include our own secondary systems, whatever is required. This policy is a work in progress. We are asking the board for feedback and hopefully approval of the update that we have worked hard to make.

The content of some individual paragraphs was discussed. There were some suggested changes during the discussion. It was decided that the suggested changes will be incorporated into the document and sent to our legal counsel for review.

Rob Thayne – System Operations

The goats have been moved to Beaver Dam.

Robbie provided a drawing of the South Willard well showing the interior placement of the pump column and pump. The well driller went back into the well and attached a tool to the 6" column. He made a cut below the previous cut that was on a coupler and tried to pull the

column out. The pump that was connected to the column pipe fell down the well. It is not the pump that was stuck, it is the 6-inch column pipe. We cannot figure out what it is stuck on. We are going to put a pump inside the 6-inch pipe and will be able to use the well again. Because we were able to cut the pipe at the bottom it left a cavity that we should be able to draw water from and the well production should not be impeded.

We have determined that we will have to use some different chemicals to clean the well than we originally thought. We are going to pump the well as much as we can, even if we need to pump it to waste in order to keep the water moving. We are grateful for the water we have been able to take from South Willard Water Company.

General Manager Mackley explained the potential development in the area that has a reservation agreement with us. They appear to be waiting for the arrival of sewer connections. When that happens, the development will probably occur quickly.

Robbie Thayne continued and reported we have talked about drilling a second well in South Willard down below the existing well. Having this second well would give us a chance to do more work on the current well, if needed. We think we are about 2 to 3 months away from having the well back in production. It will mostly depend on how quickly we can get a pump.

Kylee Jeppesen, our new employee is doing really well. He will be a great asset to the District.

We have been labeling fire hydrants and will begin flushing them soon.

We have several meters to install and will have more this summer.

The Beaver Dam annual pumping of the reclaim tank has been completed.

We will be replacing a gate valve at the Bothwell tank. We are going to install the new gate valve outside of the tank then open the bad valve and just let the water flow through it. This way we do not have to drain the tank.

We will be replacing a fire hydrant in Harper Ward that was knocked over during an auto accident.

We are going to replace the barrier under the walkway at Early Park. Some of the walkway is water damaged and we will be replacing that as well.

We have been helping Marble Hills Water Company. In the two or three weeks we helped them we were able to find their infrastructure and help them repair their chlorination system and we did some water testing for them. They are grateful for the help. Before we could even get an agreement signed, they hired a new operator. He seems like he will do a good job for them.

Trustee Reports

Jay Carter – It is dry, we need rain. Jay received a phone call from a well driller in Idaho that is looking for a recent high school graduate that is interested in being on a well rig. They are putting a rig in Tremonton. He has been turning down 3 or 4 requests per week, now he has purchased an additional rig. If anyone knows someone that is interested, they will train them. General Manager Mackley asked if Jay knows anything about the updates East Grouse Creek Pipeline Company has been trying to do to their water system. Jay has seen advertisements in the newspaper for help, but he does not know any more than that.

Richard Day – No report

Joe Summers – Bothwell Water Company has been getting phone calls from developers. They are outside of Bothwell service area and Thatcher does not have the water.

Neil Capener – No report

DJ Bott – No report

Jay Capener – Water will be in the West Canal the first of May, and in the Hammond Canal a little earlier. It was noted the water has already reached Brigham City in the Hammond. The last storm listed snowpack at 92% of normal in the Bear River Drainage.

Charles Holmgren – I have kept track of the precipitation at the Farm since Jan 1st. I have measured 1.43 inches, in the last 4 months. Last year it was 3.53 for the same time, 2020 was 2.86 and 4 years ago it was 10.9.

We have been to Bear Lake Preservation meeting and Bear River Water Users meeting. We are taking a cut on our storage water this year, natural flow is forecasted to be better, the snowpack a year ago was 60% to 70% of normal. Last week was a Bear River Commission meeting and we learned Blair Francis retired from the board. He has been on the Bear River Commission for 43 years. He is one of the sharpest people I know in the water business. He is a former County Commissioner for Rich county, and he was on the school board and several different boards for the State. He will be missed.

Dave Forsgren – No report

Roger Fridal – Tremonton is doing good. Our water is hanging in there. There is a lot of development in Tremonton and a lot of development in Elwood. There is development in Garland. Garland was supposed to open their new sewer plant. We are looking forward to the secondary water this year, the canal company has been exceptional to work with.

A motion was made by Vice Chairman Forsgren to adjourn the meeting. The motion was seconded by Board Member Carter.

The meeting adjourned at 9:30 PM.