



Board Meeting Minutes

Wednesday November 15, 2023 @6:00 P.M.
102 West Forest Street
Brigham City, UT 84302

In Attendance:

Board Members

David Forsgren, Chairman
Charles Holmgren, Financial Chairman
Lyle Holmgren
Mark Larson

Jay Capener
Brodie Calder
Joseph Summers
Tim Munns

Absent:

Vice-Chairmen, DJ Bott
Board Member Boyd Bingham

Board Member Richard Day

Staff:

General Manager, Carl Mackley
Assistant General Manager, Chance Baxter

Administrative Assistant, Jamie Williams

Other:

Cody Deeter (EFG Consulting)

Chairman David Forsgren - Welcome

Chairman David Forsgren welcomed all in attendance and called the meeting to order at 6:00 P.M.

Invocation & Pledge of Allegiance

Offered by Board Member Tim Munns

Declaration of Conflicts of Interest

None

Adoption of the Agenda

A motion was made by Financial Chairman Charles Holmgren to approve the agenda. The motion was seconded by Board Member Lyle Holmgren.

General Manager Carl Mackley noted that there was an error in the agenda regarding the financial business. A motion was made by Financial Chairman Charles Holmgren to eliminate the financial business from the agenda and approve the amended agenda. The motion was seconded by Board Member Tim Munns; all members voted aye, motion passed.

Approval of Minutes – Chairman David Forsgren September 27, 2023, Meeting

Financial Chairman Charles Holmgren made a motion to approve the minutes for September 27, 2023, Board Meeting. The motion was seconded by Board Member Joe Summers; all members voted aye, motion passed.

Present Fraud Risk Assessment – General Manager Carl Mackley

General Manager Mackley explained that the Fraud Risk Assessment is a checklist from the state auditor's office to estimate the potential risk of an employee or board member committing fraud. There are 395 total points. Bear River Water Conservancy District (BRWCD or District) scored 375 points with

the caveat that any board members who have not completed their training need to do so before the submission for the Fraud Risk Assessment. Board Member Lyle Holmgren made a motion to approve the Fraud Risk Assessment as currently presented. The motion was seconded by Board Member Tim Munns; all members voted aye, motion passed.

Present Tentative 2024 Budget – General Manager Carl Mackley

General Manager Mackley presented the tentative 2024 budget. Mr. Mackley informed the board if they want to make any changes to the budget to let him know as the board will be asked to adopt the budget at the hearing next month. Mackley went through the budget and highlighted some key sections.

Income from Operations

The budget for income from operations for 2023 was \$543,840. The District is amending it to be slightly lower at \$528,960. The proposed budget for 2024 is \$600,000. Board Member Brodie Calder asked what the line item titled “additional budget” of \$56,160 was for. General Manger Mackley explained that it was put there for the possible increase in wholesale water rates. The rates will increase in 2024 based on the wholesale agreements the District has. Mr. Calder also asked if the line item titled “Collinston Wholesale” is Ukon wholesale. Calder explained that on the tentative budget the amount for Collinston Wholesale is at 0, but that it should be going up from last year because the District’s agreement is that it continues to rise. Mr. Mackley explained that this year they have involved a CPA from Davis & Bott in the preparation of the budget and that the CPA has made some suggested changes. Mackley further explained that he is confident in the overall number for this section of the budget but that he will go back and discuss Collinston Wholesale and the additional budget item with the CPA.

Rental Income

General Manager Mackley explained that the rental income is from lease agreements. The District has a sub-lease with Ukon Water Company. A lease with Riverside/ North Garland and a Lease with Chanshare Sod Farms (Chanshare). The lease agreement with Chanshare will end December 31st, 2026. Mr. Mackley further explained that there will be changes made when the lease agreement ends but there will be plenty of time to talk about those changes before then. The budgeted amount for 2024 is \$135,000.

Employee wages

General Manager Mackley stated that the proposed amount for 2023 was \$502,000. The proposed amount for 2024 is \$500,000. The slight reduction is due to staffing changes.

Employee Benefits

General Manager Mackley stated that the proposed budget for 2023 was \$370,120. The amended budget for 2023 slightly increased that amount. Next year there will be a slight reduction to this amount due to staffing changes.

Operations

General Manager Mackley stated that the proposed budget for 2023 was \$1,189,450. The amended budget for 2023 is slightly lower \$1,024,218. The proposed budget for 2024 is about the same at \$1,190,900. Mr. Mackley went on to explain subsections within the operations. First Mackley explained that for 2024 in building repairs and maintenance they are increasing the budget to \$22,500 to make some improvements to both levels of BRWCD office building. Regarding legal fees, Mackley explained that they budgeted \$40,000 in 2023 and spent that same amount. BRWCD will budget \$40,000 for legal fees in 2024. For accounting the proposed budget in 2023 was \$14,000, however that amount was insufficient. The amended amount was \$31,000. The proposed budget for 2024 is \$25,000. For engineering the proposed budget for 2023 was \$70,000 and the District spent closer to \$80,000. The proposed budget for 2024 is \$70,000. Mr. Mackley explained that BRWC is sponsoring Bear River Canal Company under the PL566 Project. Mackley further explained that the NRCS routes funding to

the district as reimbursement. Board Member Brodie Calder asked if that amount is going up to \$90,000 next year. Mr. Calder also pointed out that this amount be listed under the federal grants, but he was wondering if it was misplaced under the state and local grants. Mr. Mackley explained that as far as the amount is concerned, it is a contracted amount and so they are estimating that \$90,000 based on the amount that they have spent and the amount remaining.

Exploration and studies

General Manager Mackley stated that BRWCD budgeted \$150,000 this year in anticipation of starting the County Water Master Plan. Mr. Mackley further explained that there will be a little bit of carryover from this budget. The total cost for the County Water Master Plan is estimated at \$500,000. Mackley explained that they have a \$250,000 grant for the County Water Master Plan that is reimbursable. \$125,000 of the grant money is lumped into the \$200,000 sum under the state and federal grants section. Mr. Mackley explained that they did not put federal PL 566 funding under the state and federal grants section because the \$200,000 was intended to represent just the two state grants. One is for the County Water Master Plan and the other is for lead and copper reimbursement. Board Member Brodie Calder asked if it would be possible to have the CPA from Davis and Bott come and present to explain some things on the budget further. Mackley said he could try to arrange that. Mr. Calder further asked to have the state, local and federal grants itemized more specifically on the budget. It was also explained that the \$250,000 grant for the County Water Master Plan will not all be received and used at once but spread out over the following year.

Equipment and tools

General Manager Mackley explained that the budget for this section in 2023 was larger than normal due to the need to purchase several generators. Mr. Mackley further explained that they have been leasing a skid steer to maintain access roads to the Districts' wells. Mackley also shared that they bought a new truck but used some funding from the vehicle savings account to help pay for that expense. The proposed budget for 2023 was \$215,000. The amended budget is \$200,000. The proposed budget from 2024 is \$80,000.

Operating supplies

General Manager Mackley stated that the proposed budget for 2024 is \$45,000. Board Member Brodie Calder noted that they had only used \$6,900 as of year to date so he was wondering why the amount is going up so much.

Mr. Mackley explained that each water system has its own Operations & Maintenance (O&M) expenses particular to that system. Bothwell is the biggest system and therefore the most expensive. Harper Ward was given an increase in O&M for 2024 of \$125,000 to budget for drilling a well and building a water tank there. Collinston was increased slightly in 2023 to budget for the fencing and monitoring equipment. Those costs will be dropped for 2024 so the proposed budget for Collinston for 2024 will drop from \$102,500 to 75,000. Mr. Mackley concluded by explaining that the overall big picture of the operations budget will remain similar to what it was this past year.

Purchased Water

General Manager Mackley stated that the District has not purchased water from South Willard Water Company this year since the South Willard Well was fixed. The District purchased water from Brigham City for the Harper Ward System. The District also purchased water from Deweyville Town for the Collinston system. Mr. Mackley explained that the district is budgeting about \$10,000 less in purchasing from Deweyville for 2024 in anticipation of bringing the Flat Canyon Well online.

Depreciation Savings

General Manager Mackley stated that for 2023 the proposed budget was \$325,000 and the amended amount is \$352,932. Mr. Mackley explained that there are a lot of projects in the works so the proposed budget for 2024 is 400,000.

Capital Facilities Reimbursement

General Manager Mackley stated that according to the CPA from Davis & Bott, this was a plugged number, and it did not make sense anymore, so it has been removed. Mr. Mackley explained that they are using the depreciation savings account for capital facilities updates to things such as lines and reservoirs. Cody Deeter from EFG Consulting explained depreciation in greater detail. Deeter explained the purpose of depreciation is to encourage the district to maintain the value of their assets. Deeter suggested to the board to have an engineer come and evaluate the Districts' assets to help determine the number of improvements to make to the system. It was discussed that an engineer coming and doing a system evaluation would take the form of a capital facilities plan expenditure.

Grants

General Manager Mackley reiterated that he has already stated that they need to rectify the grants in the budget. Mr. Mackley explained the effect would be to increase the overall budget due to the missing federal grants amount for PL566. The \$165,000 listed for 2023 was spent on the Flat Canyon Well and engineering for Harper Ward Well. Board Member Tim Munns asked about the \$28,000 for weather modifications. Mackley explained that BRWCD partners with the state of Utah and pays 50%. The District pays the initial amount and the state of Utah Reimburses the District for 50%.

Impact fees

General Manager Mackley stated that the district is not budgeting receiving impact fees because there is not a good way to predict that amount. Mr. Mackley further stated that although they are not budgeting any impact fees for 2024 the District will probably get some.

Interest income

General Manger Mackley stated that the District has interest-bearing accounts. The proposed budget for 2023 is \$29,000. Mr. Mackley explained that interest rates are high right now, so the District has been getting some good returns on these accounts. However, the money is not going to be sitting in these accounts for too long because it will be spent on projects. The amended budget is \$157,000. The proposed budget for 2024 is \$60,000.

Non-operating expenses

General Manager Mackley stated that all non-operating expenses are from bonds. BRWCD Administrative Assistant Jamie Williams explained to the board that the District does not need to budget for principal payments on debt. It is an expenditure for a governmental entity operating as a proprietary fund. Mrs. Williams mentioned that the principal amount will be addressed in the audit. It was discussed that currently on the budget the principal and interest are consolidated into one item, so that item amount needs to be corrected to just show the interest.

Re-Development Agency

General Manger Mackley explained that the District is tracking RDA separately. Mr. Mackley further explained that the District never sees this money, it is never given to the district, but for the purposes of accounting it is listed as income and expense.

Mr. Mackley expressed that although the budget includes subtotals for the different sections it also needs to include a total or summary for income and expenses. Administrative Assistant Jamie Williams stated that we need to have a motion to approve the tentative budget so that it can be posted for public review ten days before the budget hearing. Board Member Brodie Calder expressed that he has some concerns about approving the tentative budget as it currently stands. Chairman David Forsgren proposed that Carl and Jamie meet with the CPA from Davis & Bott to resolve the questions and concerns on the budget that were discussed tonight. Chairman Forsgren further purposed that following the meeting with the CPA that the board members are sent an updated version of the budget for review via email by the 1st of December. Mr. Calder specifically identified several things discussed to amend in

the tentative budget: 1) Line item 5163 regarding Ukon wholesale. 2) The additional budget under income from operations. 3) Engineering line item 6313 Engineering Canal Project add to income from the grant. 4) Line item 6314 showing the expenditure for exploration and studies needs to be shown under income in state and local grants. 5) Line Item 5515 adjustment. Show the BR PL566 under grants. 6) Line item 6811; expense on the bonds and interest. Remove principal amount and just include interest. It was also discussed that there could be a better flow to the budget if all the income were listed first and all expenses listed after.

Financial Chairman Charles Holmgren expressed that he is a little concerned about the amount of funding for the legal fees because of the recommendation that the District become interveners in the Great Salt Lake Lawsuit. Mr. Holmgren further explained that he does not know if the board is interested in participating in that lawsuit, but it would be a good idea to consider raising that budget item so that if the board decides to participate there is money there for that. It was discussed about finding an attorney to represent the District in The Great Salt Lake Lawsuit and adding \$20,000 to the legal fees budget.

Board Member Lyle Holmgren made a motion to approve the tentative 2024 budget presented by General Manager Carl Mackley with the amendments as outlined and the associated changes. The motion was seconded by Board Member Mark Larson; all members voted aye, motion passed.

Impact Fee Hearing – Chairman David Forsgren

General Manager Carl Mackley introduced Cody Deeter from EFG consulting. Mr. Mackley explained that Mr. Deeter did the impact fee analysis work and was also part of the impact fee facilities plan discussions. Mr. Deeter previously presented to the board the proposed impact fee resolution 2023-21 which the board approved to hold a public hearing to discuss adopting those via resolution. Deeter gave a short three slide presentation to review the definition and purpose of impact fees, the impact fee methodology and the impact fee summaries for four of BRWCD's water systems. Mr. Deeter also explained to the board that the impact fees become effective according to statute 90 days after adopting the resolution. Following is the slide presentation prepared by Cody Deeter with EFG:

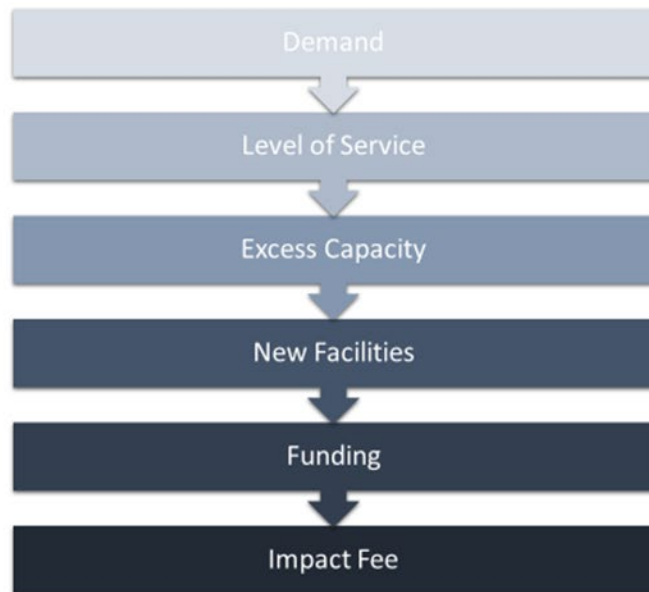
Public
Hearing:
Impact Fee
Purpose

Impact Fee
Methodology

“Impact fee” means a **payment** of money imposed **upon new development** activity as a condition of development approval to **mitigate the impact of the new development on public infrastructure** .

11-36a-102(8)(a)

- New Home
- New Business
- Not a remodel



Impact Fee Summary

Impact Fee	Proposed	Current	Change
Bothwell	\$ 10,037	\$ 3,875	159%
Collinston	\$ 19,391	\$ 6,565	195%
Harper Ward	\$ 11,288	\$ 5,380	110%
South Willard	\$ 3,227	\$ 3,446	-6%

Board Member Brodie Calder asked if impact fees could be changed from year to year if inflation goes up. Mr. Deeter explained that the board could come back at any point to do a new analysis. Mr. Deeter also clarified that the fees listed in the impact fee summary are the maximum allowable impact fees that the District can charge. Chairman David Forsgren asked if there is a timeline the District should follow other than cost of living or inflation in re-evaluating impact fees. Deeter said that it would be good practice to come back every year and review to see if the impact fee needs to be adjusted. There was also some discussion to clarify what the difference is between impact fees and connection fees.

Chairman David Forsgren officially opened public comment to provide input concerning the impact fees as outlined.

Kelly Lemon - Just an observation, and I understand that it is governed by law how you set those. But if I was moving into the county, I would be looking at South Willard because I am going to be paying a whole lot less money down there for impact fees than elsewhere. So how do you make it fair? And it seems like and then when you are competing and when you've got private water companies West Corinne, I have heard the number \$32,500 and Ukon \$30,000. Again, people are going to move to, your kind of forcing in a way, it's unintended probably and again this is just an observation, but it seems like to me you are forcing the growth into areas associated with your impact fees. Again, this is just an observation but maybe you could combine the impact fee and make it county wide. I don't know, so it's fair across the board. I don't know, I am just throwing some ideas out there.

Adam Alexander – Pointed out an error in the calculation of the impact fee percentage for the Collinston System.

Board Member Lyle Holmgren stated that impact fees are not arbitrary and there is a real science to identifying the amount. General Manager Mackley expressed that he originally was a proponent of

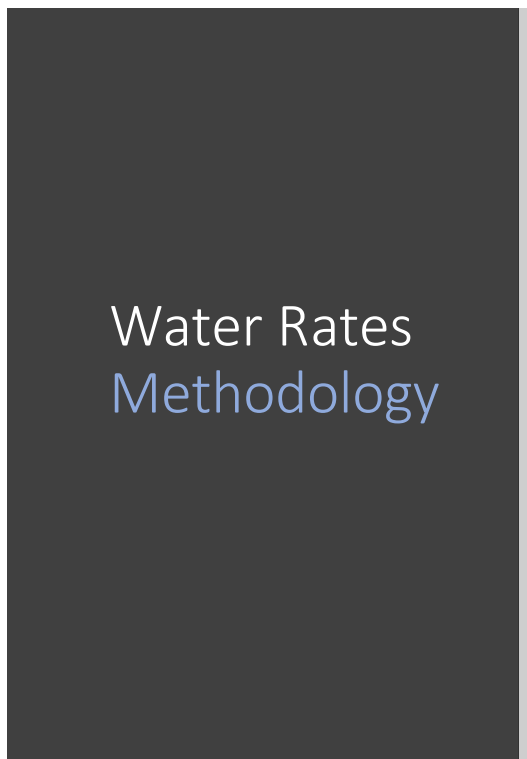
trying to standardize the impact fee county wide. Mr. Mackley further explained that each of the District's water systems are so drastically different and the level of service for each system is different that it is not a justifiable position to create a single impact fee.

Chairman David Forsgren officially closed public comment.

Board Member Brodie Calder made a motion to adopt resolution 2023-21: Adopting an Impact Fee Facilities Plan and Impact Fee Analysis and Imposing Certain Impact Fees for Culinary Water. The motion was seconded by Board Member Joe Summers; all members voted aye, motion passed.

Financial Evaluation Considerations – Cody Deeter (EFG Consulting)

Cody Deeter with EFG Consulting, went through the evaluation that EFG completed on the wholesale and retail water rates for BRWCD. Mr. Deeter explained the process that EFG utilized to evaluate the districts rates. Following is the slide presentation prepared by Cody Deeter with EFG:



Step 1 – Revenue Sufficiency

Step 2 – Revenue Generation

Step 3 – Implementation & Monitoring

10-Year Financial Projection

Water Rates Methodology

Step 1 – Revenue Sufficiency

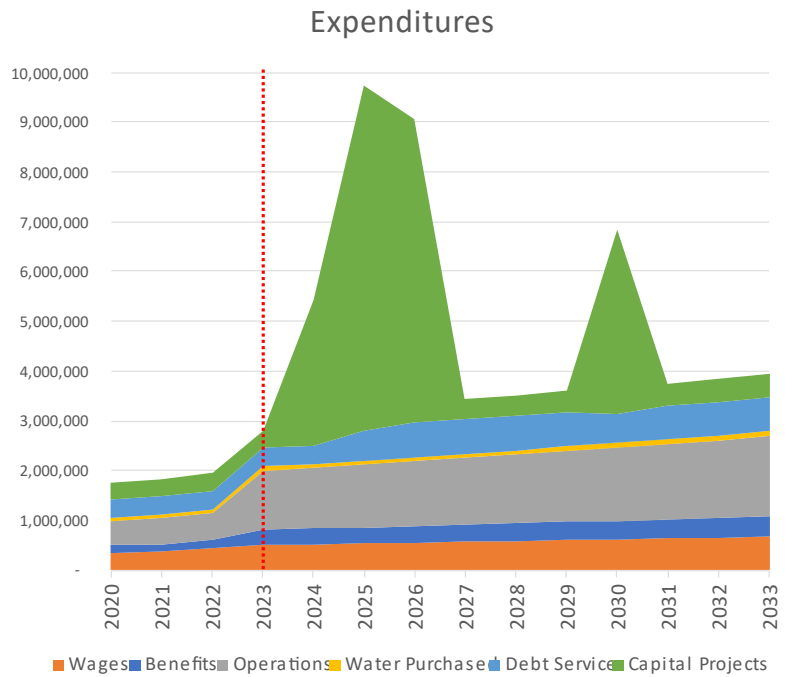
- Projected Expenses
 - Wages/Benefits
 - Operations
 - Debt
 - Capital
- Set Financial Metrics
 - Cash Reserves
 - Debt Capacity

Water Rates Methodology

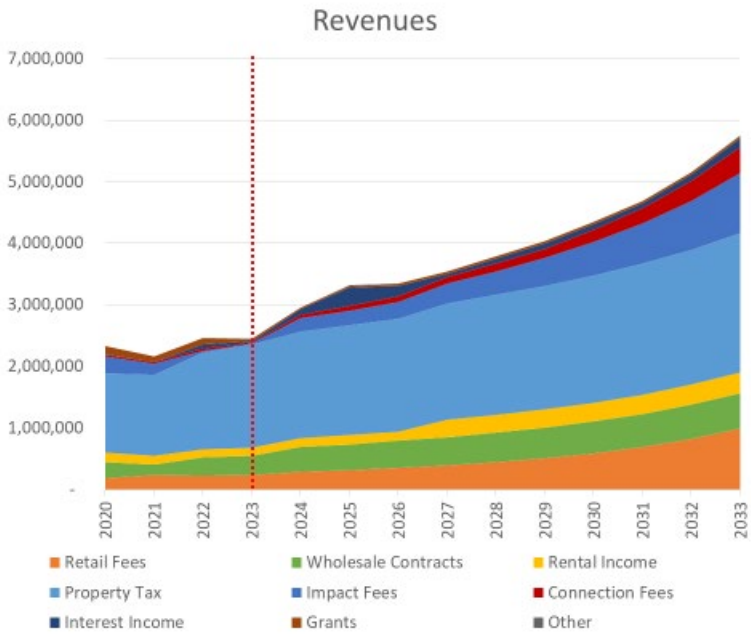
Step 2 – Revenue Generation

- Water Rate Adjustments
 - Retail Systems
 - Wholesale Water
 - Farm Lease
- Property Tax
- Fixed Assets
- Water Usage

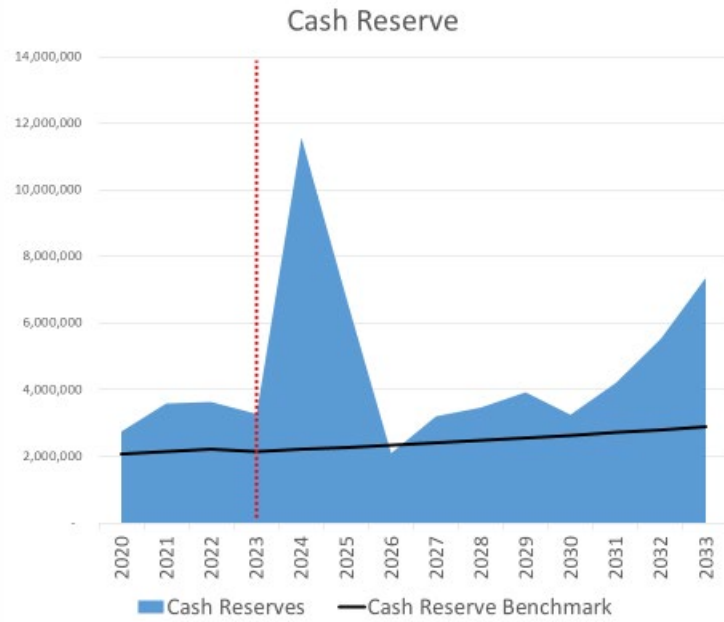
Water Rates Revenue Sufficiency



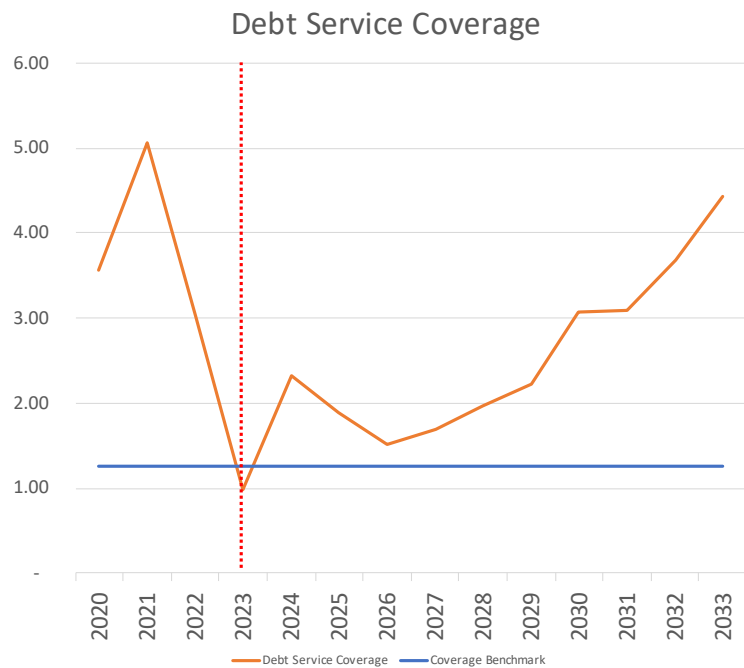
Water Rates Revenue Sufficiency



Water Rates
 Revenue
 Sufficiency



Water Rates
 Revenue
 Sufficiency



Water Rates Revenue Sufficiency

New Revenue Needed Year Over Year

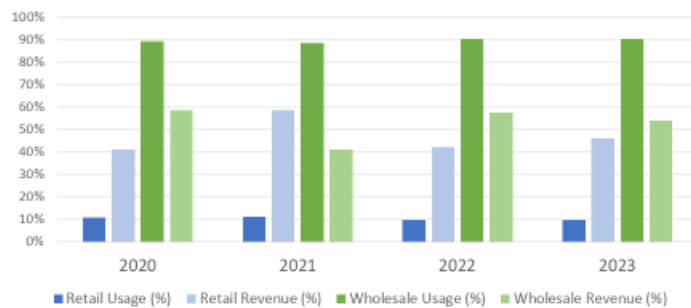
2024	2025	2026	2027	2028
148,704	51,597	57,389	192,647	78,676

Debt Assumption (Projection TBD)

- 2024 - \$6.9m
- 2030 - \$1.85m

Water Rates Revenue Generation

Usage vs Revenue



2023 YTD			
Use Type	Use (AF/YR)	Revenue	\$/AF
Retail	190	\$ 213,000	\$ 1,121
Wholesale	725	250,125	345
Chanshare	1,100	123,000	112
Total	2,015	\$ 586,125	\$ 291

Recommendation #1: Increase Wholesale Rate 35%

Water Rates Revenue Generation

Current	Base Rate	Base Rate Up To	Tier 1		Tier 2		Tier 3		Tier 4		Tier 5		
			\$ 1.00		\$ 1.25		\$ 1.50		\$ 2.00				
Beaver Dam	\$ 40.00	11,000	11,001	22,000	22,001	33,000	33,001	44,000	44,001	1,000,000			Indoor/Outdoor
Bothwell	\$ 29.00	7,000	7,001	14,000	14,001	28,000	28,001	56,000	56,001	1,000,000			Indoor/Outdoor
Collinston	\$ 40.00	7,000	7,001	14,000	14,001	28,000	28,001	56,000	56,001	1,000,000			Indoor/Outdoor
Harper Ward	\$ 49.00	10,000	10,001	100,000	100,001	200,000	200,001	400,000	400,001	700,000	700,001	1,000,000	Indoor/Outdoor
South Willard	\$ 35.00	7,000	7,001	1,000,000									Indoor

Revenue	Base Rate	Tier 1	Tier 2	Tier 3	Tier 4	Tier 5	Total	Ave Monthly Fee
Beaver Dam	\$ 16,800	\$ 600	\$ 336	\$ 188	\$ 248	\$ -	\$ 18,172	\$ 43.27
Bothwell	21,228	2,088	3,067	4,196	5,450	-	\$ 36,029	\$ 49.22
Collinston	37,440	1,375	2,179	2,417	1,724	-	\$ 45,134	\$ 48.22
Harper Ward	62,328	9,814	2,814	415	-	-	\$ 75,371	\$ 59.25
South Willard	1,680	61	-	-	-	-	\$ 1,741	\$ 36.27
Total	\$ 139,476	\$ 13,938	\$ 8,396	\$ 7,215	\$ 7,423	\$ -	\$ 176,447	\$ 49.84

Recommendation #2: Standardize Retail Rates

Water Rates Revenue Generation

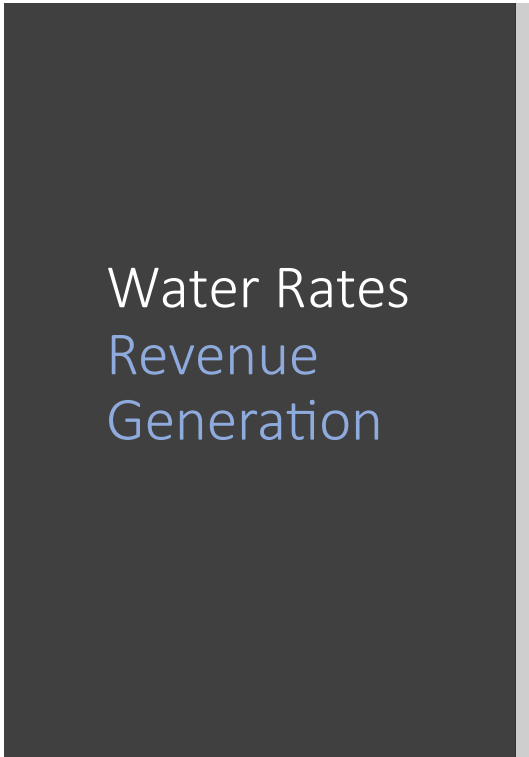
Current	Base Rate	Base Rate Up To	Tier 1		Tier 2		Tier 3		Tier 4		Tier 5		
			\$ 2.00		\$ 4.00		\$ 7.00		\$ 10.00				
Beaver Dam	\$ 40.00	15,000	15,001	30,000	30,001	60,000	60,001	100,000	100,001	250,000	250,001	1,000,000	Indoor/Outdoor
Bothwell	\$ 40.00	15,000	15,001	30,000	30,001	60,000	60,001	100,000	100,001	250,000	250,001	1,000,000	Indoor/Outdoor
Collinston	\$ 40.00	15,000	15,001	30,000	30,001	60,000	60,001	100,000	100,001	250,000	250,001	1,000,000	Indoor/Outdoor
Harper Ward	\$ 40.00	15,000	15,001	30,000	30,001	60,000	60,001	100,000	100,001	250,000	250,001	1,000,000	Indoor/Outdoor
South Willard	\$ 40.00	15,000	15,001	1,000,000									Indoor

Revenue	Base Rate	Tier 1	Tier 2	Tier 3	Tier 4	Tier 5	Total	Proposed Ave Monthly Fee	Current Ave Monthly Fee	Difference
Beaver Dam	\$16,800	\$ 524	\$1,064	\$ 190	\$ -	\$ -	\$ 18,578	\$ 44.23	\$ 43.27	\$ 0.97
Bothwell	29,280	2,496	11,212	8,585	4,536	-	\$ 56,109	\$ 76.65	\$ 49.22	\$ 27.43
Collinston	37,440	1,766	6,224	2,475	1,687	-	\$ 49,592	\$ 52.98	\$ 48.22	\$ 4.76
Harper Ward	50,880	3,372	12,620	7,590	4,795	40	\$ 79,298	\$ 62.34	\$ 59.25	\$ 3.09
South Willard	1,920	-	-	-	-	-	\$ 1,920	\$ 40.00	\$ 36.27	\$ 3.73
Total	\$136,320	\$ 8,158	\$31,120	\$ 18,841	\$ 11,019	\$ 40	\$ 205,497			

Recommendation #2: Standardize Retail Rates – 16.5% Revenue Increase

Board Member Brodie Calder asked why the base rate was moved from 12,000 gallons up to 15,000 gallons. Mr. Deeter explained it was moved up as a buffer. Calder expressed that he thinks the base rate should remain at 12,000 gallons.

General Manager Carl Mackley clarified an error that he made in his general managers' report. In the General Manager's report, it states that standardizing the retail rate would increase revenue by 33% but that was a previous iteration of how the water rates were designed. As currently presented, standardizing the retail rates would increase revenue by 16.5%, as shown in the slide above. It was reiterated that this is just a proposal but if the board wants to change the retail rates, the District needs to notify their customers and have a hearing. If the board wants to increase wholesale rates, we can do that at any time.



Other Things to Consider – Impact Rates

- Current Agreement Chanshare– Ends 2026
- Options
 - Extend Lease
 - Open RFP for New Lessee
 - Sales All or Portion of Assets
 - Sell Water as Wholesale

\$ 1,000,000	7 Acres with buildings		
8,277,500	473 Acres farmland	\$ 17,500	/acre
\$ 9,277,500	480 Acres		

Water Rates Implementation and Monitoring

Implementation

- Rate Increases
 - Hold Public Hearing
 - Adopt Resolution
- Bonding
 - Adopt Parameters Resolution
 - Bonding Options
 - State Lending Agencies
 - USDA
 - Bond Market

Monitoring

- Review Pro Forma Annually
- Review Impact Fees Plan
- Make Recommendations as needed

General Manager's Report by Carl Mackley

General Manager Carl Mackley reviewed a few highlights from his General Managers report. First Mr. Mackley shared the project priorities and funding the district currently has or will shortly have. Mackley stated that there is 5.56 million dollars in funding that is obligated. Mr. Mackley explained that he is still in the process of complying with the checklist items to receive the \$2.84 million from the state revolving fund. The money has not been delivered to the District yet, but it has been bonded for. There is \$834,000 in ARPA funds and \$643,000 is contracted under the Flat Canyon Well Project. Mackley stated that there will be \$200,000 of additional ARPA funds that could be used towards either the Collinston Well or Honeyville Well. Mackley reiterated that there have been some questions about the current projects within the last two years since the district applied for the Bureau of Reclamation funds. The Bureau is very strict on how that money is used. It must be used for the projects identified in the initial application. Mr. Mackley explained that the district needs to finish Flat Canyon Well Pump Station and Pipeline and build pipeline A for phases two and three of Summerland Ranches. Mackley also reviewed the updated cost estimates for Haper Ward well and tank at \$2.833 million and drilling either Collinston Well or Honeyville Well at \$1.5 million.

General Manger Mackley also said that the district is currently negotiating for monitoring in Collinston. Mr. Mackley emphasized that the district absolutely needs to know by April 1st, 2024 if they are going to be able to proceed to drill the Collinston Well after April 1st of 2025 or if they need to drill the Honeyville well first and come back and drill Collinston Well later. Both sites have been approved by the Bureau and need to serve the same purpose.

General Manager Mackley gave an update on the Hammons Well Project as requested by the board. Mr. Mackley stated that he met with the President and General Manager of Ukon Water Company. Engineers for the District and for Ukon were also present at the meeting. The purpose of the meeting, as instructed by the board, was to create a memorandum of understanding on how the District and

Ukon are going to work together. Mr. Mackley explained that the conversation quickly turned to source protection. Both engineers are working on a source protection study and Ukon and the District will be dividing up costs equally. Mackley further explained that the District is not ready to enter an MOU until there is additional information. Mr. Mackley stated that once the additional information is provided then the District and Ukon Water Company will meet with the property owner to disclose what the study shows. After that point, the District will have the information needed to start an MOU.

General Manager Mackley mentioned that the District's committee has been working on a monitoring and license agreement with the Pack & Barnard Springs Users and that there have been a lot of revisions to that agreement.

General Manager Mackley stated that if any board members need or want a copy of the Court Decree Charter Bylaws, board meeting policy procedures or other policies of BRWCD, he is happy to provide those. Mr. Mackley further explained that the written policies do not tell the board everything they should be doing, so they need to remember the mission statement of BRWCD in all decisions that they make.

Trustee Reports – Board Members.

Charles Holmgren – Bear River Commission had a meeting yesterday. There have been a few changes. Candice Hasenyager is no longer Chair of the Utah Delegation. It is now Teresa Wilhelmsen. Idaho changed their head from Gary Spackman to Matt Weber. During the meeting they discussed litigation on The Great Salt Lake and discussed what is happening in the Utah legislature. Bear River commission is planning to do a tour around Oneida reservoir next summer. PacifiCorp is moving rapidly in the Oneida reservoir area to do a pump back project. Culter is moving along rapidly but not as rapidly as Oneida reservoir. The Bear Lake pump back project is being pushed back because of FERC licensing requirements. Bear River water users are concerned about evaporation losses and regulation of getting water to cutler reservoir for the Bear River Canal Company.

Jay Capener – Just want to thank the Pack & Barnard Springs representatives and our committee, especially Kyle Potter. We appreciate your cooperation and feel like we are close. We had the hearing on PL566 last week. I have not personally seen any comments.

Lyle Holmgren – Just want to second what Jay said. It has been good to be able to work with everybody and I think we are coming together, and I feel like we are going to come to a solution here. We had our initial Box Elder water conservancy meeting the other night and had a good turnout. I felt like a lot of good information was put out there. I did not sense a lot of friction or problems with the evening. It went well. As far as Tremonton City is concerned, we are moving ahead with our next project area. We have the bids and grants approved. We are making progress and head way here.

Brodie Calder – No report

Mark Larson – No report

Joe Summers – No report

Tim Munns - No report

Dave Forsgren – No report

Financial Chairman Charles Holmgren made a motion to move into a closed session. The motion was seconded by Board Member Mark Larson. Roll Call: Financial Chairman Charles Holmgren, aye; Board Member Jay Capener, aye; Board Member Lyle Holmgren, aye; Board Member Brodie Calder, aye;

Board Member Mark Larson, aye; Board Member Joseph Summers, aye; Board Member Tim Munns, aye; Chairman David Forsgren, aye.

Board Member Mark Larson made a motion to end the closed session. The motion was seconded by Board Member Tim Munns. Roll Call: Financial Chairman Charles Holmgren, aye; Board Member Jay Capener, aye; Board Member Lyle Holmgren, aye; Board Member Brodie Calder, aye; Board Member Mark Larson, aye; Board Member Joseph Summers, aye; Board Member Tim Munns, aye; Chairman David Forsgren, aye.

Adjournment

Board Member Jay Capener made a motion to adjourn. The motion was seconded by Board Member Joseph Summers; all members voted aye, Meeting adjourned at 9:00 PM.