



# Board Meeting Minutes

Wednesday April 24, 2024 @7:00 P.M.  
102 West Forest Street  
Brigham City, UT 84302

## In Attendance:

DJ Bott, Chairman  
Lyle Holmgren, Financial Chairman  
Lesley Kendrick  
Joseph Summers  
Boyd Bingham

## Board Members

Richard Day, Vice-Chairman  
Riggin Holmgren  
Brodie Calder  
Tim Munns  
Mark Larson

## Absent:

Jay Capener

## Staff:

Interim General Manager, Chance Baxter  
Office Manager, Jamie Williams

### **1- Welcome – Chairman DJ Bott**

Chairman DJ Bott welcomed all in attendance and called the meeting to order at 7:00 PM.

### **2- Invocation & Pledge of Allegiance**

Offered by Trustee Brodie Calder

### **3- Declaration of Conflicts of Interest**

No conflicts declared

### **4- Consent Agenda**

A- Adoption of Agenda  
B- Approval of Minutes – March 27, 2024

Trustee Tim Munns Made a motion to approve item A on the Consent Agenda, seconded by Trustee Brodie Calder; all members voted aye, motion passed. Trustee Mark Larson made a motion to approve item B on the Consent Agenda, seconded by Trustee Tim Munns; all members voted aye, motion passed.

### **5- Approval of Financial Statements – Financial Chairman, Lyle Holmgren**

Financial Chairman Lyle Holmgren reported that he has reviewed the check register and the financial statements for March of 2024 and finds them in order. Trustee Mark Larson made a motion to approve the March 2024 financial statements as presented, seconded by Trustee Lesley Kendrick; all members voted aye, motion passed.

### **6- Closed Session**

The Board entered into a closed session to discuss the character, professional competence, or physical or mental health of an individual; to be held in accordance with the provisions of Utah Code 52-4-205.

Trustee Richard Day made a motion to move into a closed session, seconded by Financial Chairman Lyle Holmgren.

Roll Call:

Boyd Bingham, yes  
Tim Munns, yes  
Lesley Kendrick, yes  
Joe Summers, yes  
Mark Larson, yes

Brodie Calder, yes  
Riggin Holmgren, yes  
Lyle Holmgren, yes  
Richard Day, yes

**7. Action on closed session**

Chairman DJ Bott explained that in the closed session, the board discussed the resignation of the current General Manager, Carl Mackley, and discussed the appointment of an Interim General Manager, Chance Baxter. Mr. Bott stated there needs to be a motion to appoint Chance Baxter to function as Interim General Manager of the Bear River Water Conservancy District (the "District"). This appointment would include a stipend while serving as General Manager, starting April 27th to last up to six months and to be reviewed. If the interim period does last up to 6 months, it will be reviewed at the October Board Meeting.

Trustee Mark Larson made a motion to appoint Chance Baxter as the Interim General Manager of the District, seconded by Trustee Tim Munns; all members voted aye, motion passed.

**8. Action Items**

**A- McFarlane Subdivision petition for water (potential partnership with Thatcher-Penrose Service District)**

Chairman DJ Bott explained that this action item is only regarding the petition of water for the McFarlane Subdivision and not the potential partnership with Thatcher-Penrose Service District ("Thatcher Penrose"). Mr. Bott asked Interim General Manager, Chance Baxter, to briefly summarize the recent discussions had with Thatcher Penrose.

Interim General Manager Chance Baxter explained that a proposal has been made to Thatcher Penrose that the District will construct the McFarlane project with Danny McFarlane. Danny McFarlane will pay all impacts to the District. The District will oversee all engineering, project management, and see the subdivision built. Once that subdivision is deeded to the District, the District will then turn around and deed it to Thatcher Penrose. At that point, Thatcher Penrose will take ownership and operate the subdivision and will petition the District for a wholesale agreement for water to supply that subdivision. Chairman DJ Bott clarified that Danny McFarlane will be paying for all infrastructure within the subdivision, the District will only be paying for the infrastructure needed to accommodate the subdivision.

Trustee Boyd Bingham asked how much infrastructure the District will be required to put in to accommodate the subdivision. Interim General Manager Chance Baxter stated to supply fire flow to that subdivision the District would have to construct the Segment "A" pipeline in Bothwell. The Segment "A" pipeline has been discussed by the District for the past two years for the Summerland Ranches Development. Mr. Baxter further explained that this negotiation would be good for the District because Summerland Ranches is already doing a third of Segment "A" for the District and Danny McFarlane will chip in and do a third of the pipeline so the District will only need to do a third of the Segment "A" pipeline.

Interim General Manager Chance Baxter added that he would like the District to negotiate with Danny McFarlane regarding the 28 canal shares and an irrigation water right (drain) of 120-acre feet associated with the property. Mr. McFarlane is planning to construct a secondary irrigation system with drain water. Mr. Baxter stated that he would like the District to own and operate that secondary system. Baxter explained that Mr. McFarlane is willing to build the secondary system and deed it to the District.

Chairman DJ Bott clarified that what the board needs to consider tonight is issuing to Danny McFarlane a will serve letter for the subdivision. Trustee Brodie Calder asked if the District should provide the will serve letter prior to requesting the water rights. Financial Chairman Lyle Holmgren asked if the District would retain 100% of the canal shares. Interim General Manager Chance Baxter stated that he doesn't believe the District can keep 100% of the shares, it would require an exaction policy which has not yet been established. Financial Chairman Lyle Holmgren stated he thinks the District should retain 100% of the canal shares and that creating an exaction policy is something that the District needs to consider.

Interim General Manager Chance Baxter stated that with board approval he would like to have Attorney Peter Gessel assist with this development agreement.

Trustee Riggin Holmgren asked if the fire suppression loop is needed because of these new developments. Mr. Holmgren also stated that he personally has a hard time with the District paying for any portion of the project. Interim General Manager Chance Baxter explained that the fire suppression loop is needed because of the new developments, but that there is also a need for this infrastructure as the current system is at capacity and to honor the wholesale agreement the District has entered with Tremonton City this infrastructure is needed. Mr. Baxter further explained that overtime the wholesale agreement with Tremonton City and future Wholesale agreements are going to pay for the District's portion of the Segment "A" loop. Baxter also referenced a study completed by the District regarding the need for this infrastructure. Mr. Holmgren stated that he didn't want to see the District increasing the tax rate because it is the users that should be paying for the use, not the residents of the county. Mr. Baxter stated that the District raised their wholesale rates last year to help with that.

Trustee Mark Larson made a motion to negotiate for water rights and shares connected to McFarlane Development and then to provide them with a will serve letter, seconded by Trustee Tim Munns; all members voted aye, motion passed.

#### **B- Riverside North Garland petition for water**

*Reo Ramsdale:* I'm Reo Ramsdale and I'm here on behalf of Riverside North Garland to petition the board for the acquisition of 50 acre-feet of culinary water to serve Riverside North Garland. To be purchased in increments of 10 acre-feet per year over a five-year period.

Chairman DJ Bott asked how much water the District has available. Interim General Manager Chance Baxter explained that the District does have enough water to provide 50 acre-feet to Riverside North Garland. Mr. Baxter stated that he does have a concern with this petition due to a contract that the District has with Ukon Water Company ("Ukon"). For the last 10 years Ukon has been buying portions of the line that this water will be wheeling through to serve Riverside North Garland. Mr. Baxter said that he needs to look over the District's contract with Ukon to see if the District can continue to wheel water through that pipeline once Ukon assumes full ownership.

Trustee Tim Munns made a motion to table this petition/discussion until all the details about the District's current contract with Ukon are fully investigated, seconded by Trustee Brodie Calder; all member voted aye.

#### **C- Sleepy Hollow Springs pipeline replacement / Beaver Dam project approval, engineering and construction.**

Interim General Manager Chance Baxter stated that this is a project that's been in the works for years but hasn't received board approval. Mr. Baxter explained that the District was deeded the Beaver Dam system by the state. The District got a grant and rebuilt the Beaver Dam System which includes an arsenic treatment plant. Mr. Baxter further explained that there is currently a 2700ft section of 1.5" pipeline from

the treatment plant to Sleepy Hollow Springs. This pipeline has limited capacity, so the District is not able to capture all the spring water and get it to the treatment plant. Mr. Baxter stated that tonight he is seeking board approval to pursue a project running a four-inch line from Sleepy Hollow Springs to the District's treatment plant. Baxter further stated that he would like to do the project this year and is seeking a motion to pursue the engineering and construction for the project.

Trustee Boyd Bingham asked how much water the District is currently getting out of the spring. Interim General Manager Chance Baxter stated that it is hard to tell because so much of the water is wasted and the District can only get 25 gallons per minute to the treatment plant with the current size of the pipeline. Mr. Bingham further asked if the 4-inch line will be able to handle all the spring water. Mr. Baxter stated a 4-inch line will be able to handle all the spring water, but the treatment plant is only designed for 84 gallons a minute and a four-inch line will deliver almost close to 100. So, the line will be sized accordingly but the plant will be undersized.

Financial Chairman Lyle Holmgren made a motion to proceed with the Sleepy Hollow Springs pipeline replacement project as long as the District falls within their allotted water right, seconded by Vice Chairman Richard Day.

Trustee Boyd Bingham asked how the District is going to monitor their use to ensure we are staying within our allotted water rights. Interim General Manager Chance Baxter explained that currently the water is not being measured but with this project the water will be measured through a meter in the pump house and the District is required to submit a water report to the Division of Water Rights every year. Trustee Brodie Calder asked if the District has put aside funds for this project and how much the project will cost. Mr. Baxter explained that the District has funds in its depreciation savings account for this project and that the estimated cost is about \$200,000.

Chairman DJ Bott reaffirmed that there has been a motion and a second; all members voted aye, motion passed.

## **9. Discussion Items**

### **A- Board Discussion on Public Comment rules**

Chairman DJ Bott stated that at the last board meeting there were request from the public to have public comment during board meeting. Two District board members agreed that it should be discussed. This is that designated discussion period. Mr. Bott explained that according to state statute the District does have the authority to create rules for public comment.

Trustee Boyd Bingham explained how public comment is done at the county. Mr. Bingham explained public comment is at the end of county meetings, there is a sign-up sheet, 3 minute per person time limit and that no action/interaction is taken on the public comment as it is not on the agenda.

Trustee Brody Colder commented that it could be beneficial to the public to have public comments at the beginning of the meeting. Financial Chairman Lyle Holmgren stated that Mr. Calder makes a point in that you may listen and hear the public comment and change your thinking a little bit. Mr. Holmgren further suggested that the Chairman make assignments to the staff of comments that need follow up. Chairman DJ Bott cautioned that we do not want to see pooling of the minutes, it is three minutes per individual and that's it. Financial Chairman Lyle Holmgren suggested including a total time limit (up to 30 minutes, 3 minutes per person, 10 people).

Chairman DJ Bott stated that the District is not legally forced to have public comment. Both Mr. Bott and Mr. Bingham agreed that getting input from the public is a good thing. The board members agreed to

have public comment held at the end of board meetings with a maximum time of 30 minutes and a three minute per person limit.

Trustee Boyd Bingham said that having a sign-up sheet for public comment is important. Mr. Bingham also explained that the county lists a time frame on the agenda items and the chair is given some flexibility/discretion to shorten the public comment period if the meeting is running long. Mr. Bingham further stated that the point is not to shut people off but to allow the chairmen some discretion in being cognizant of time. The board members agreed with Mr. Bingham's suggestions to include a sign-up sheet for public comment and allowing the Chairman discretion of shortening public comment time if needed.

### **B- Board Room Improvements (audio, video and paint)**

Office Manager Jamie Williams explained that the District has some audio and video issues. The District included \$25,000 extra in the budget for the building this year. Mrs. Williams further stated that the improvements will include new paint, new TV monitors, possibly a podium with mics for public comment, and an owl (and IT device that broadcasts audio and video of the meeting to zoom). Williams explained that the ability to broadcast meetings via zoom will make the District ADA compliant. Chairman DJ Bott said that there doesn't need to be a motion, the money has already been budgeted and the purpose of this discussion was just for transparency with the board and the public.

### **C- Segment "A" pipeline construction (Bothwell)- Chance Baxter**

Interim General Manager Chance Baxter explained that the District is going to be entering into two development agreements, one with Summerland Ranches and another with Danny McFarlane. Mr. Baxter said that he would like to bid these two projects as one large project. The District would pay for the infrastructure up front and manage the construction. Prior to this the District would also enter into development agreements charging the developers, as part of the agreement, for the percent of the Segment "A" pipeline that they are responsible for paying. Mr. Baxter stated that he would like to hear the board's feedback on how to proceed.

Trustee Boyd Bingham asked how long it will take for the District to get its money back that would be put out for this project. Interim General Manager Chance Baxter stated that this is a concern. Baxter further explained that there is a concern that Summerland Ranches is working slower than Danny McFarlane, but the pipeline needs to be completed for either subdivision to work. Baxter said that the only way he can see to move forward is to build the pipeline with district funds and the charge that money afterwards.

Trustee Boyd Bingham commented that funds the District spent on the project might be tied up for several years if the developers move slowly on the project. Interim General Manager Chance Baxter proposed that as part of the development agreement the District could ask the developers for the money up front for their portion of the pipeline.

Trustee Tim Munns asked if the District will be reimbursed for 100% of the project. Trustee Mark Larson commented that part of the line being constructed will not be used by either developer for their subdivision. Trustee Riggan Holmgren asked for clarification on if all sections of the pipeline are necessary for the project. In Answer to Mr. Holmgren's question Interim General Manager Chance Baxter clarified that all portions of the segment "A" pipeline are required by all three parties before any construction can take place or any water can be served.

Trustee Boyd Bingham asked if he remembers correctly that last year the board decided that it wasn't fair for the developer to put in the whole pipeline because the developer wouldn't be using the whole pipeline. Trustee Tim Munns confirmed this was correct and that one third was the amount of the pipeline the developer was to be responsible for funding. Trustee Brodie Calder also confirmed that the board voted last year on doing two thirds of the Segment "A" pipeline but now with another developer covering a third of the pipeline the District would only be required to finance one third of the pipeline. Interim General Manager Chance Baxter confirmed Mr. Bingham's comment that if other developments came

online then the district would get additional impact fees to help compensate for the District's third of the Segment "A" pipeline as well as future wholesale agreements.

Interim General Manager Chance Baxter stated that he needs some direction on how the Board would like to proceed with this agreement. Trustee Boyd Bingham stated that he thinks that Interim General Manager Chance Baxter's idea of having the developers pay the cost of the construction up front before signing the development agreement is a good idea. Interim General Manager Chance Baxter stated that he would reach out to our legal counsel to have the agreement drawn up as discussed.

#### **D- Cold Water Canyon Well – Financial Chairman Lyle Holmgren**

Financial Chairman Lyle Holmgren explained that at the last board meeting the Board opted not to pursue Cold Water Canyon Well. Mr. Holmgren stated he understands that the decision to not mitigate water shares is finalized but wanted to bring up the idea of transferring some of the District's existing water rights to Cold Water Canyon Well and continue to pursue the well in this way. Mr. Holmgren commented that he recognizes some of the concerns from the surrounding communities (Honeyville, Bear River City, Elwood) but still feels that this needs to be an ongoing discussion with the Board as the District's engineers have indicated that this is likely the District's best future source of water and that the source could benefit several communities.

Trustee Brodie Calder explained that there was information on Cold Water Canyon well presented at the last board meeting that he was unaware of. Mr. Calder stated that it would be helpful to see the engineering and all the details for the Cold Water Canyon Well so the board can make a good decision.

Trustee Boyd Bingham explained that in the last 10 years Honeyville built a bigger reservoir higher on the mountain. Honeyville has a million-gallon reservoir right next to their springs and 18 inches of line going from the north reservoir to the reservoir by the springs. All that water is hydraulically pushing through that system up into the North reservoir virtually without any pumping. Mr. Bingham stated how will Honeyville preserve their water rights, when they have made improvements to push the water up there.

Financial Chairman Lyle Holmgren stated that there is a lot of information and data that needs to be presented to the board from the experts in a way that the board can understand it. Chairman DJ Bott stated that the board is going to be having ongoing discussion on a lot of these ideas and this item will be on future agendas.

#### **E- Ukon Water Company Presentation – Derek Oyler**

Derek Oyler, President of Ukon Water Company introduced Ukon's engineer Brett Jones from Jones and Associates. Brett Jones reviewed information on the Hammons Well Project including what the District's board had voted on previously concerning this project. Mr. Jones reviewed Ukon's current distribution system and water sources, highlighting the need for another source on the west side of the valley. Mr. Jones stated that the proposed well location is on Brance Hammon's property and that the proposed plan is to put a well and a 1-million-gallon reservoir in this location. Jones stated that this board had already authorized the District to work with Ukon as a team on this project. Ukon is asking for the board to commit to allocating 250 acre-feet of the District's existing water rights to this location if the well is a success and there is enough water available. It was clarified that the water rights wouldn't be transferring from the Conservancy District's name to Ukon, the Conservancy District would still own the rights. Derek Oyler explained that Ukon has purchased the property for the well site so that is no longer a hurdle in moving forward with the project.

The benefit to the District of having this water source was discussed. Interim General Manager Chance Baxter explained that it would free up some of the Deweyville source that is supplying the Ukon blending station. Brett Jones also pointed out that this source would be closer to some of the District's wholesale customers. This would again free up some of the District's sources in other parts of the valley. Derek Oyler also commented that Ukon could do something to their existing spring and well source through the blending station that could significantly help the Collinston system.

Interim General Manager Chance Baxter commented that he feels there is no risk here for the District and he would be in complete support of the partnership. Mr. Baxter asked if it would be better to file a change application for the District's water rights to the Hammons location before drilling the well. Brett Jones responded that in consulting with the Division of water rights it would be best to wait until after the well is drilled and it is known how much water the well can produce.

The board asked if Ukon is requesting for the District to help fund drilling the well. Derek Oyler stated that yes, Ukon wants the District to help fund the drilling of the well. Mr. Oyler further explained that a motion was previously made that Ukon would work with the general manager of the District towards a written agreement on a 50/50 cost share on the well.

Trustee Tim Munns made a motion to commit the District to filing a change application to move 250 acre-feet of the District's water rights to the Hammons well location if the water is available and for Interim General Manager Chance Baxter to continue working with Ukon on a 50/50 cost share agreement. The motion was seconded by Trustee Boyd Bingham; all members voted aye, motion passed.

#### **F- Project Funding (current and future) – Chance Baxter**

Interim General Manager Chance Baxter referenced a document provided by the previous General Manager, Carl Mackley, summarizing project funding for the District. Mr. Baxter commented that this is something the Board should take home and read and then have ongoing discussions about. Trustee Brodie Calder stated that this needs to be a top priority so that none of the project funding is lost. Trustee Riggin Holmgren asked if there is a way to use some of these funds on the Hammons Well Project. Mr. Baxter explained that the funding is coming from the Bureau of Reclamation and that the benefit of the original application for funding cannot change. Mr. Baxter further explained if there is a way to create wording that shows that Collinston will benefit from drilling the Hammons well then, we can make that petition to the Bureau of Reclamation and the District will be doing that.

#### **G- Future of BRWCD – Chairman DJ Bott**

Due to time constraints Chairman DJ Bott proposed to determine a time to have a work session for item G. The Board scheduled a work session to discuss item G on Monday May 6<sup>th</sup> at 6:00 PM.

### **10. Project Updates**

#### **A-Harper Ward**

#### **B-Flat Canyon**

#### **C- South Willard**

Due to time constraints project updates were not given.

### **11- Adjournment**

Trustee Tim Munns made a motion to adjourn, seconded by Trustee Boyd Bingham; all members voted aye, meeting adjourned at 9:30 pm.