



Board Meeting Minutes

Wednesday June 26, 2024 @7:00 P.M.
102 West Forest Street
Brigham City, UT 84302

In Attendance:

Board Members

Richard Day, Vice-Chairman
Riggin Holmgren
Joseph Summers
Jay Capener
Mark Larson

Lyle Holmgren, Financial Chairman
Lesley Kendrick
Tim Munns
Boyd Bingham

Staff:

Interim General Manager, Chance Baxter
Office Manager, Jamie Williams

Other: Lance Nielsen, Hansen Allen & Luce
Dale Pierson, Executive Director, Rural Water Association of Utah

1- Welcome – Vice Chairman Richard Day

Vice Chairman Richard Day welcomed all in attendance and called the meeting to order at 7:00 PM.

2- Invocation & Pledge of Allegiance – Trustee Joseph Summers

Offered by Trustee Joseph Summers.

3- Declaration of Conflicts of Interest

No conflicts declared.

4- Consent Agenda

A- Adoption of Agenda
B- Approval of Minutes – May 22, 2024

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

Trustee Boyd Bingham made a motion to approve item B on the Consent Agenda, seconded by Trustee Mark Larson; all members voted aye, motion passed.

5- Approval of Financial Statements – May 2024

Financial Chairman Lyle Holmgren reported that he has reviewed the financial statements for May 2024 and finds them in order. Trustee Mark Larson made a motion to approve the May 2024 financial statements, seconded by Trustee Joseph Summers; all members voted aye, motion passed.

6. Presentations

Rural Water Association of Utah (RWAU) Best Tasting Water Award (South Willard System) – Dale Pierson

Mr. Pierson explained that each year at the annual RWAU conference, a contest is held to determine who in the state of Utah has the best tasting water. This year the best tasting water was determined to

be Bear River Water Conservancy District's (BRWCD or District). Mr. Pierson presented a trophy to the board and explained that as part of the award, RWAU will take two individuals from BRWCD to the National Rural Water Association rally in Washington D.C. While at the rally the two representatives from BRWCD will participate in the national best tasting water contest and attend meetings with RWAU and members of congress to discuss rural water, water projects and seek continued support for funding.

Vice Chairman Richard Day noted that South Willard Well, where the sample that won the best tasting water award was taken from, is a project that Interim General Manager, Chance Baxter, has worked on for the past 3-4 years and Chance has done a great job.

7. Action Items

A- Financial Consulting Services – Chance Baxter; Jamie Williams

Interim General Manager, Chance Baxter stated that the District currently has a contract with a financial advisor, Cody Deeter. Mr. Baxter would like to extend Cody's contract and bring him on as the District's main financial consultant. Mr. Baxter stated that there is money in the budget for extending Mr. Deeter's contract and he would like the board's opinion on this matter. Mr. Baxter clarified that Mr. Deeter will not be a full-time employee of the District, he will be doing additional work for the District under contract.

Office Manager Jamie Williams stated that she will continue to manage the District's daily, monthly, and quarterly finances/ reports and that Mr. Deeter will assist with things like debt issuance, fraud risk assessment, and the budget. Mr. Baxter asked the board for a motion regarding the amount they would like him to negotiate with Cody Deeter for financial services.

Trustee Lesley Kendrick asked how the contract with Cody Deeter will be managed if the amount of time needed varies each month. Interim General Manager, Chance Baxter explained that if the District exceeds the monthly hours stated in the contract, we can still receive the additional services needed but the additional hours will be charged at a higher rate. If the District uses less hours, then what is stated in the contract the District still pays the full monthly amount stated in the contract.

Financial Chairman Lyle Holmgren made a motion to allow Interim General Manager Chance Baxter to negotiate with Cody Deeter to extend his contract of financial services for up to \$24,000 per year, seconded by Trustee Tim Munns; all members voted aye, motion passed.

B- Personnel Policy Amendment (include additional paid federal holiday, Juneteenth) – Chance Baxter

Trustee Mark Larson made a motion to add Juneteenth as a paid holiday to the personal policy and to put it on the leave schedule to be observed on the Monday nearest to Juneteenth, seconded by Financial Chairman Lyle Holmgren; all members voted aye, motion passed.

8. Discussion

Board Expectations of Engineering Consultants – Lance Nielsen, Hansen Allen & Luce

Lance Nielsen with Hansen Allen & Luce (HAL) expressed appreciation for the opportunity of working with the District. Mr. Nielsen explained that their job/objective as our engineering consultant is to represent and assist with whatever the board is trying to accomplish. Mr. Nielsen further stated that in the past HAL has primarily worked with the general manager of BRWCD and have represented whatever projects or interests that the general manager has put forth and only presented to the board from time to time, as necessary. Mr. Nielsen asked the board if there is anything HAL can do to better represent and serve the board.

Trustee Boyd Bingham asked a question regarding The Great Salt Lake. Further Discussion was had on the Great Salt Lake.

Trustee Tim Munns asked if HAL is hired on an as needed basis or if they are always retained. Lance Nielsen stated that HAL has been working as the District's engineering consultant since the District began in 1988. Mr. Nielsen said he has been working with the District since he started 1999. Interim General Manager Chance Baxter explained that the District is under contract with HAL for certain projects and general consulting is done on a as needed basis. Mr. Baxter explained that in his capacity as Interim General Manager, he is trying to be completely transparent with the board and expects HAL to do likewise. Mr. Baxter stated that it is part of his job as Interim General Manger to keep the board informed on work being done with HAL but wanted to know how involved the board would like to be in these communications/updates from consultants. It was agreed that Interim General Manager Chance Baxter will disperse the coordination notes generated by HAL from weekly consultant meetings to the board members.

Trustee Riffin Holmgren asked what additional information Lance Nielsen could provide on Flat Canyon Well. Lance Nielsen stated that HAL helped with Flat Canyon Well early in the project with water rights, a geophysical evaluation for the well site and prepared specifications for the District. Around this time Carl Mackley became general manager and managed the project. HAL was not involved in the construction aspects of Flat Canyon. Lang Equipment from Alpine drilled the well. Lang drilled it as a test well per the specifications. Carl made the decision to complete the test well as a production well. HAL was not involved in this decision. Because the well was drilled as a test well it was drilled quickly and the well deviated. At the total depth of the well, 600 ft, it is out 54 ft. This deviation could have affected the gravel pack, bentonite seal and explained the extra cement that compromised the production of the well. Mr. Nielson explained that HAL was asked to help with the redevelopment of the well to improve the wells' production. Mr. Nielson also explained that he shared with Interim General Manager Chance Baxter that he believes there could be a chance for more water in this aquifer because of how quickly the aquifer recovers which is why they discussed the idea of putting in a monitoring well at Flat Canyon.

Trustee Lyle Holmgren asked how long it has been known about the bent shaft and the plug of Flat Canyon Well. Mr. Nielson stated that it is in the District's files and that Carl did a good job of explaining everything that happened with Flat Canyon Well, including all the data. HAL was provided with this file and information when they were asked to help with the pumpstation. Interim General Manager Chance Baxter stated that he became aware of this information when they were putting a new pump in for the redevelopment project.

Trustee Lyle Holmgren asked if there is anything that HAL could do to increase the production of Flat Canyon Well. Mr. Nielsen stated that he believes that the recent redevelopment of the well has maximized production, but it might be possible to get additional water if the District were to drill another well. The data from monitoring well can help the board make an informed decision for how to move forward.

9. General Manager Report

Flat canyon Well Projects.

- **Project completion.** BRWCD has been working with Ormand Construction for a little over a year now on a Well, Pipeline, and Booster Pump project. Final payment was issued to the contractor earlier this month. The project can produce 130 - 150 GPM for our Collinston Systems. This is not enough to meet demand all year but is sufficient for about 80% of the yearly demand. The final Price of the project was \$1,061,772.76 with \$39,355.61 in Change Orders. I am pleased with the way the project turned out. Flat Canyon will continue to be a valuable asset for years to come.

- **Flat Canyon Monitoring Well.** Boart Longyear Began drilling the monitoring well on 6-19-2024. They are using the sonic method of drilling. This is a quick and efficient process to drill smaller diameter wells. The first day alone they made 130 feet. The plan is to complete the drilling process by the end of the week. Following we will begin test pumping the existing well to gather data on whether well #1 is truly plugged as we think it is. I will report to the board in our next meeting of the result of the testing.

Harper Ward Project.

- **Pipeline Bid Results.** Bidding for the Pipeline and Powerline ended on 6-4-2024. We had a good turnout of interested contractors for the job. The low bid ended up being AAA excavation from Willard Utah at \$397,097.00. We issued a notice of award on 6-10-24. Construction of the pipeline and powerline will need to be completed by the end of October 2024.
- **500,000 Gallon Reservoir and Overflow Pond Bid Results.** Bidding for this portion of the project closed on 6-20-24. We didn't have as many bidders. A total of 4 Bids were received. As stated last month, reservoir construction is a special trade with few contractors making it their profession. Low bid ended up being Patriot Construction From Honeyville Utah at \$1,546,958.21 We plan on giving the contractor a year to complete the tank construction. Construction should begin in the fall of 2024.
- **Well Drilling and Development.** Final depth of 425 Feet was achieved on 6-7-24. The well was then plugged to from 425 to 420 with neat cement, this will be the final depth. Next steps are perforating and test pumping the well to determine the sustainable and most efficient pumping rates. This will be done over the next month.
- **Pumphouse construction.** The pumphouse is still in the engineering and design phase. Currently it's about 90% designed. We need the results from the above-mentioned test pumping to finalize the piping and layout within the pumphouse. This part of the project is projected to go out to bid in the next couple of months. I will report back once we have the results of the bidding process.

County Wide Water Master Plan. We are currently in the interview stages of this project. There will be 45 interviews with most of the county water stakeholders. I'm personally attending as many of these as I can. Our executive committee along with a few board members have asked that I say a few things about the new supportive roll of BRWCD while in these interviews. So far, this is being received well by the organizations that we've met with to date. The interviews them self-have gone very well. The information being offered is very valuable. Everyone has been very forthcoming and excited to be participating in the project. These interviews are scheduled to be completed by the end of September 2024. We thank the board members that have volunteered their time to help with the interviews of stakeholders in the areas of which they represent. Going forward we would greatly appreciate other board members attending interviews as well. Destry Larsen has been sending invites via email. She asks that you respond if you're available during the time slots given.

Bothwell Project Purchase Option With Box Elder County. BRWCD and Box Elder County are working together on conveying The "Bothwell Project." This includes water rights, real estate, and infrastructure back to BRWCD following the final payments on the bonds that Box Elder County took on our behalf in the earlier days of the District. We plan to pay off the remainder of our bonds associated with the project on July 15, 2024. Our Attorneys along with the County are working on the legal

proceedings to achieve this task. Chairman DJ Bott and I also attended a Commission Meeting to present this on May 29th where I presented to the commission. See the letter Below for more clarity on the matter if needed. A copy of the lease agreement mentioned can be provided upon request.
May 29, 2024

Commissioner - BOYD BINGHAM, Chair
Board of County Commissioners
Box Elder County, Utah
1 South Main Street
Brigham City, Utah 84302

Re: Intent to Exercise the Option to Purchase the Project as Described in the Lease Agreement
Dated July 1, 2008, Between Box Elder County, Utah, and the Bear River Water Conservancy
District

Dear Commissioner, BOYD BINGHAM:

In 2008, Box Elder County ("County") agreed to issue bonds on behalf of Bear River Water Conservancy District ("District") to finance the development of the water infrastructure in the Bothwell area. To secure the repayment of the bonds, the County was given title to the infrastructure and associated property ("Project"), which was leased back to the District in a lease agreement dated July 1, 2008 ("«Lease"). A copy of the Lease is attached for your reference; the components of the Project are listed in Exhibit A to the Lease.

Article XII of the Lease outlines how the District can obtain ownership of the Project. One of the District's options is to pay the County the Purchase Option Price and to give the County at least forty-five days' prior written notice of the District's intent to exercise this option.

Pursuant to Article XII of the Lease, the District hereby notifies the County of its intent to pay the applicable Option Purchase Price on July 15, 2024, in order for the District to take ownership of the Project.

This is likely the first time either the County or the District have engaged in a process such as this, which means that an extra measure of communication and coordination is in order. We request an initial meeting to identify the appropriate points of contact and develop an action plan. We will also need to identify what other agencies or institutions should be involved in this process.

We thank you in advance for the County's willingness to work with the District to effectuate the conveyance of the Project.

Sincerely,

Chance Baxter
Interim General Manager

Subcommittee to Revise our Water Service Policy. This project is currently in the waiting stages. I've reached out to the professionals needed to complete this task. Our Attorneys that are needed most for this are wrapping up current proceedings that they are working on for BRWCD. Following they will have time to dedicate to this item. I'm hopeful that these proceedings will be wrapped up in a month or so. Everything above has been communicated to the subcommittee via email. We have 5 months remaining on our current moratorium to complete this revision.

Conclusion. BRWCD and its staff have many things going on. Everyone has stepped up over the last few months. I would like to thank our staff for their dedication and hard work. It doesn't go unnoticed. I'm pleased to report that the operation of the Office and the water systems are running well and as they were intended. At the time of writing this report we have no ongoing issues that need the attention of our board.

Thanks.
Chance Baxter, Interim General Manager

10. Trustee Reports

Boyd Bingham – None

Tim Munns – Working on coordinating CWMP interviews for the Northwest Region. Potentially looking at the third week in July.

Lesley Kendrick – None

Joseph Summer – Brought resident concern regarding livestock watering. Asked if there are different rates for that purpose – Mike Evans.

Mark Larson – None

Riggin Holmgren – Talked to Kendall Morris with ACME water. Kendall had questions about the CWMP interview.

Jay Capener – None

Lyle Holmgren – Talked about growth and water consumption. Reports that Tremonton is becoming more efficient with water use even with growth. Attributes it to smaller landscapes, localscapes, newer efficient homes, and appliances.

Richard Day – Next Board meeting will be on August 28th, no board meeting in July.

11. Public Comment

Richard Garrett - I did not plan to say anything but I will say this. We had an interview today. Chance is representing the board very well. And I just want to comment, there is a whole different atmosphere with the board now and I actually enjoy it. I appreciate it. We are comfortable coming to the meeting because we feel welcome and that has been a long time coming. So, thank you.

12. Adjournment

Trustee Boyd Bingham made a motion to adjourn, seconded by Trustee Riggin Holmgren; all members voted aye, meeting adjourned at 8:40 pm.