

**Bear River Water Conservancy District  
Annual Board Meeting  
Wednesday, March 29, 2017 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, Tyler Vincent, Jay Capener, Mark Larson, Neil Capener, Richard Day, Russell Howe, Jay Carter and Jeff Scott

Staff: General Manager Voneene Jorgensen, System Operators Robert Phippen and Robert Thayne and Administrative Assistant Cassee Harper

Visitors: Bill Bigelow & Lance Nielsen, Hansen, Allen & Luce  
Ryan Childs, Wood Richards & Associates

**Adoption of the Agenda – Chairman Fridal**

A motion was made by Vice Chairman Forsgren to approve the agenda as presented. The motion was seconded by Financial Chairman Holmgren. Chairman Fridal, Vice Chairman Forsgren, Financial Chairman Holmgren and Board Members Vincent, N. Capener, J. Capener, Larson, Day, Howe, Carter and Scott voted in favor of the motion.

**Approval of the Minutes for the Board Meeting held February 22, 2017.**

The minutes of the Board Meeting held February 22, 2017 were included with the packet that was provided to the Board Members.

A motion was made by Financial Chairman Holmgren to approve the minutes for the meeting held February 22, 2017. The motion was seconded by Board Member Day. Chairman Fridal, Vice Chairman Forsgren, Financial Chairman Holmgren and Board Members Vincent, N. Capener, J. Capener, Larson, Day, Howe, Carter and Scott voted in favor of the motion.

**Presentation and Adoption of the Audit  
Ryan Child – Wood, Richards & Associates**

The 2016 Audit Report was presented to the Board and has been issued a clean opinion and the financial statements are accurate. Cash and Investments that are not restricted for certain purposes such as impact fees and bond reserves have a balance of \$902,000. Accounts receivable is at \$157,000, this represents unpaid user fees mostly from local governments and from Valley Estates Investments and other entities. Governmental receivables represent property taxes that were received in January but were for 2016 and total \$278,000. There is an allowance for doubtful accounts, some of the receivables are old. You do have some ability to place liens on properties and take some collection efforts but the balance has been left as it was from the previous year. Total current assets are \$1,309,000. This represents cash and assets that can be converted into cash within a year. Current liabilities total \$468,000. The difference between your current assets and current liabilities is \$2.79 of current assets for every \$1 in current liabilities. This ratio has improved from the prior year which was \$2.23 of assets per \$1.00 of debt. Long term portion of current liabilities is \$5,483,000 which will be paid after 1 year. Capital assets increased by about \$85,000 due to various improvements. Change in net position is \$517,000. Major changes from the prior year are charges for services at \$354,000 which increased by \$50,000 compared to 2015. Total expenses are at \$1,130,000 and increased by \$90,000 compared to 2015. The major player in the expenses was the amount invested in the Master Plan. The District received \$200,000 from the State with \$100,000 from a loan and \$100,000 from a grant. Property tax is at \$1,289,000 and is up \$432,000 from 2015 resulting in a significant change in net position of \$517,000. Statement of cash flow is the ongoing operations of the District and there was a \$274,000 net increase in cash in 2016. The audit went well evaluating the internal controls and compliance with State issues and we had no findings to report which is something that is unusual.

Board Member Larson made a motion to accept and adopt the audit report as presented. Board Member Vincent seconded motion. Chairman Fridal, Vice Chairman Forsgren, Financial Chairman Holmgren and Board Members Vincent, N. Capener, J. Capener, Larson, Day, Howe, Carter and Scott voted in favor of the motion.

**Master Plan Draft – Bill Bigelow, Hansen, Allen & Luce  
Lance Nielsen –**

Lance Nielsen explained the findings of each chapter on the draft Master Plan. The District's goal is to provide water for the county and it takes a long time to plan for water sources. If you plan based on a projection that shows low growth projections and you experience rapid growth the District could find itself decades behind. We looked at several factors that show Box Elder County may be poised for rapid growth. The density of Box Elder County currently matches the density of other counties before they hit their major growth. Plus, Box

Elder County is on the I-15 corridor which is the major corridor for all the high population counties and is adjacent to Weber County which currently, as of 2010, has a density of over 1,400 people per square mile and Box Elder County's density is 200 people per square mile. Weber County's development pressure could be pushing into Box Elder County. Some communities are already experiencing rapid growth in the 3-5% per year range. In addition, there are several large industries indicating desire to move into Box Elder County which will attract growth. There is a real potential that rapid growth could occur and the District needs to be ready to meet those needs.

There is a summary of results of the public outreach process developed by the Langdon Group based on all the stakeholder meetings that were involved. The highest priorities identified at those meetings were: (1) Securing water for the future, (2) Water Conservation and (3) Access to the Bear River Development.

The Master plan talks about actual water supply and demand. If the County grows 30%, the County will be out of water. If the county experiences rapid growth current supplies would be exhausted by 2045. That is a critical issue and as a planning perspective the District will need to provide water as early as 2045. The District needs to stake its claim for water from the Bear River Development for Box Elder County.

**Bill Bigelow –**

The Bear River Development map shows how the water from the Bear River could be used by the County. The first water treatment plant will be near Deweyville and could take as much as 10,000 AF of the Bear River directly and distribute it throughout the County. The northern end of the county is where water is needed the most. Other treatments plants, one in Bothwell and one in Brigham will need to be constructed after the Bear River project is completed.

One thing that is obvious is that the huge expenses of the Bear River Development should be put off as long as possible and we need to use the water we have efficiently. Box Elder County already does very well with very low water usage per capita. Conservation is most affected by rates and if you raise the rates, usage will go down.

Another strategy to postpone the use of Bear River water is to make the best use of the existing ground water supplies that we have. Renovating wells and springs, treating water, blending poor and high quality ground water and using pressurized irrigation systems are great ways to conserve ground water. The Bear River project water will be more expensive per acre foot than all other water that we have. Nobody wants to build it until we absolutely need it. One good thing about the Bear River project is it will be a state-owned project and you must have 70% purchased before they will fund it.

The Bear River Water Conservancy District has five (5) service areas. We have developed a map that shows projects to be done over the next several years. One project to be done right away is to establish a source for the Collinston project. We are hoping to find a source of supply for that area because that is the area that needs it the most.

### **Annual Status Report – Chairman Fridal**

The board members received a written copy of the Annual Status Report of the District for March 2016 through March 2017. Chairman Fridal read the Mission Statement and went over the highlights from the report that included the following:

Clint Burt retired December 31, 2016. He had been with the District since the beginning in 1988.

The audit is conducted annually in accordance with the Governmental Auditing Standards and presented at the annual meeting accordance with state statute. The 2015 audit was presented March 23, 2016 and given a clean opinion. The 2016 audit was presented by Wood Richards and Associates in this meeting. The District came through with excellence.

December 14, 2016 the 2017 budget was adopted and submitted to the State Auditor's office.

The Board of Trustees decided it was necessary to completed the Truth in Taxation process to raise the District's 2016 certified tax rate back up to the statutory limit. The process was completed for funding the District's bond and other expenses.

The Board of Trustees approved the development of a new county wide water master plan that would address future water supply and demand, population projections, conservation, public outreach, and an analysis of the District's participation in the Bear River Development Project summarizing where and when Box Elder County will need water from this project. The Master Plan was funded by the Division of Drinking Water Board through a loan and principal forgiveness.

Voneene Jorgensen, General Manager, represents the District, serves on the Executive Water Task Force, the State Water Development Commission, and the Boards of the Utah Water Users, Utah Association of Special Districts serving as 1<sup>st</sup> Vice Chairman, Governors State Water Advisory Team, and the Bear River Development Work Group.

The District continues to partner with Cache County in the cloud seeding program. Due to the wet and stormy weather pattern this season, the Weather Modification program was suspended on February 9<sup>th</sup> because the snow water content and the snowpack values meet the suspension criteria, the first time in our participation in the program.

District will continue to move forward with strong leadership and qualified staff as we continue to deliver high quality drinking water and excellent customer service to the residents of Box Elder County.

## **Trustees Reports**

**Dave Forsgren** – Honeyville’s springs are still running high. We have a project that is getting bigger and more expensive. I travel past Scott Holland’s house and am wondering what is happening with the ADU.

**Charles Holmgren** – 3,600 cfs is going into Bear Lake. The Board of Water Resources must start doing the annual board member training like the District does. Bear Lake elevation is at 5,914’

**Tyler Vincent** – The basins are full of snow they were checked last week. There is a lot of water to come down. The reservoir is filling rapidly and letting some off to keep our spill from going over. Brigham City is doing well at managing water. We had one home on Highland Drive that got a little bit of water. The water bottling plant is coming along.

**Jay Capener** – Spring maintenance is going on. At the annual meeting, we got authority to borrow more money for more projects.

**Mark Larson** – Water tables in most parts of the valley are receding as far as problematic water. Springs have increased from the snowfall and snowpack. The springs are increasing. There is a trailer court interested in water north of Fielding and we are waiting to hear back from them.

**Neil Capener** – I no longer have beach front property in Riverside.

**Richard Day** – The training in St. George was good at both conferences. They said at the conference that it is a good thing we had the heat come first to take the low snow off and then the higher snow will come slowly later rather than having it come all at one time.

**Russ Howe** – Things are still good in Thatcher. The pumps are still sitting by the road and they will be put away soon. I took a tour of the District’s systems with Bob and Robbie.

**Jay Carter** – With the amount of snow we have we have better weather for calving season. There is water running under the sheep trail which is rare. We are looking good and suspect we will have good irrigation water this year.

**Jeff Scott** – The Bird refuge road is closed and will be closed for a couple more days. Road crews should be out west shortly to fix those roads in Grouse Creek, Lucin, and the Yost area. Rich County has a fair amount of snow. In the Woodruff narrows there is still a lot of water to come down. The Bear River Association of Governments Council approved \$100,000 in emergency money and tweaked things to come out of this year’s budget instead of next year’s budget. There is \$100,000–\$120,000 available on a grant type application. They are matching

funds up to \$3,000 primarily for low to moderate income people affected by the flooding in Box Elder, Cache and Rich Counties. We had 200–250 homes that were affected by the flooding. Elwood was one of the hardest hit.

**Roger Fridal** – My farm has turned into a housing development that never had water issues before now. The springs went up significantly. When we look at drought conditions we need 3–4 years to recharge. We had some people get water in their basements with all the flooding but the significant problem was with the sewer system and people that had their sump pumps and pumped the water into the sewer system and it couldn't handle it.

I need to apologize we didn't have a prayer and recite the pledge of allegiance. It was an oversight and we will do it next time.

### **General Manager's Report – Voneene Jorgensen**

I have included in my report a legislative summary that Smith Hartvigsen writes to review bills that are related to water. Today is the last day the Governor can veto or sign legislative bills. I am grateful that the audit is over and that it came out very well. I appreciate the draft master plan I think it is going to be a great document, please have your comments and ideas in by April 15<sup>th</sup>.

Repair on Beaver Dam road is almost complete and the Bothwell road is about complete. We have a nice carport in the north parking lot to put the extra truck under.

I will let you read the legislative bills. One that will affect us is SB 45. We will have to send out two (2) notices annually stating that the homeowner is responsible for the construction and maintenance of the line from the meter to the home. This takes effect on May 9<sup>th</sup>.

SB 94 passed, it started out very harmful and looked like we would not be able to go through the Truth in Taxation unless we had a directly elected board but there were some amendments made so we can go through the Truth in Taxation process without an elected board. We just have to go to the County Commission and make a presentation telling them what we are doing and why to fulfill those requirements. There are some bills that didn't pass that you can look at on the summary. I have given you a copy of the list of bills and if they passed or not and who was sponsoring them and whether the UASD supported the bill or not.

You also have a cloud seeding report and the snowpack and precipitation met the criteria where they have suspended the program. This has never happened in the 28 years we have been participating in the program. The cloud seeding program started in the 1950s.

You have been given an invitation to the Northern Utah Water Users Conference on April 5<sup>th</sup> in Logan. There is a newsletter and an agenda. Bill Bigelow, Mark Larson and I will be doing a presentation on the Collinston Project.

We have instigated and implemented our EFWDP, Environmentally Friendly Weed Control Program. Pictures were presented to the Board of the goats in South Willard.

**Financial Business – Charles Holmgren  
Approval of Financial Statements**

The financial statements for February 2017 were prepared and provided to the Board Members. Financial Chairman Holmgren asked for the Board to review the financial statements and approve them.

A motion was made by Board Member Carter to approve the financial statements as presented. The motion was seconded by Board Member Howe. Chairman Fridal, Vice Chairman Forsgren, Financial Chairman Holmgren and Board Members Vincent, N. Capener, J. Capener, Larson, Day, Howe, Carter and Scott voted in favor of the motion.

**Election of Officers – Chairman Fridal**

Chairman Fridal opened up nominations for Chairman, Vice Chairman and Financial Chairman.

Financial Chairman Holmgren made a motion to retain the officers as currently constituted. The motion was seconded Board Member Vincent. Chairman Fridal, Vice Chairman Forsgren, Financial Chairman Holmgren and Board Members Vincent, N. Capener, J. Capener, Larson, Day, Howe, Carter and Scott voted in favor of the motion.

**Adjourn**

A motion to adjourn the meeting was made by Board Member Scott. The motion was seconded by Board Member Day. Chairman Fridal, Vice Chairman Forsgren, Financial Chairman Holmgren and Board Members Vincent, N. Capener, J. Capener, Larson, Day, Howe, Carter and Scott voted in favor of the motion.

The meeting adjourned at 9:03p.m.