

**Bear River Water Conservancy District
Board Meeting
Wednesday December 19, 2018 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, Jay Capener, Mark Larson, Richard Day, Russ Howe, Jay Carter, Tyler Vincent, Neil Capener, Jeff Scott

Staff: General Manager Voneene Jorgensen, Systems Operator Robert Thayne, Administrative Assistant Jill Jeppsen

Others: Bill Bigelow, Hansen Allen & Luce

Welcome: Chairman Roger Fridal

Invocation: Jay Carter

Pledge of Allegiance: Charles Holmgren

Adoption of the Agenda – Chairman Fridal

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

Approval of the Minutes for the Board Meeting held November 14, 2018.

The minutes of the Board Meeting held November 14, 2018 were included with the packet that was provided to the Board Members.

Board Member Larson made a motion to approve the minutes for the meeting held November 14, 2018. The motion was seconded by Board Member N. Capener. Chairman Fridal, Vice Chairman Forsgren, Financial Chairman Holmgren and Board Members J. Capener, Vincent, Scott, Day, Howe, and Carter voted in favor of the motion.

The 2019 Budget, Conservation Rates and Late Fee increases as discussed at the November 14, 2018 board meeting were presented by General Manager Voneene Jorgensen.

Board Member Vincent made a motion to open the Public Hearing. The motion was seconded by Board Member Larson. A roll call vote of the Board Members was unanimous in favor of the motion.

The following Resolutions were read by Chairman Fridal
Resolution 14-2018 to adopt the 2019 budget as presented
Resolution 15-2018 to implement the water conservation rates as presented
Resolution 16-2018 to increase late fees from .01% to a minimum of \$10.00 per billing cycle

Public Hearing: There were no public comments.

Board Member Day made a motion to close the Public Hearing. The motion was seconded by Board Member Vincent. The roll call vote was unanimous in favor of the motion.

A motion was made by Vice Chairman Forsgren to adopt Resolution 14-2018. Board Member Vincent seconded the motion. The vote was unanimous in favor of the motion.

A motion was made by Board Member Vincent to accept Resolution 15-2018. Board Member Day seconded the motion. The vote was unanimous in favor of the motion.

A motion was made by Board Member Scott to accept Resolution 16-2018. Board Member Vincent seconded the motion. The vote was unanimous in favor of the motion.

Trustee Reports

Dave Forsgren – No report

Charles Holmgren – Talked about having a reception to honor Voneene for her retirement. It was noted that it has been planned for the 10th of January from 1:00PM to 4:00PM.

Jay Capener – No report

Tyler Vincent – Things in Brigham City are good. Hoping for more snow to come. There are a lot of good things going on in the City. He appreciates the support from everyone to make this District a success. He wished everyone a Merry Christmas and mentioned how important families are. He concluded by telling Voneene Jorgensen how much he appreciates her dedication to the District while she has been General Manager.

Neil Capener – No Report

Mark Larson – No Report

Richard Day – No Report

Russ Howe – Thatcher is now tied onto West Corinne Water Company for emergencies.

Jay Carter – No Report

Jeff Scott – Life in the County is good.

Roger Fridal – No Report

General Manager's Report – Voneene Jorgensen

The new General Manager, Carl Mackley, has accepted his employment offer and will begin on January 2, 2019.

Collinston Water Source. The District is still looking at options to develop our water source for the Collinston area. The engineers are working with the Forest Service to see if we can drill the well on our original point of diversion on the Forest Service land. There are other options being considered, one is drilling the Harper Ward well and bringing the line north to connect to our Deweyville line. This could serve both the Collinston and Harper Ward systems.

There was a discussion about the easement for access if the well was drilled on the Forest Service property from the land owners and from the canal company. The discussion continued with questions regarding the best location for the water source, how long the line would be, the cost of drilling a well and the size of the well. It was noted that Tremonton City owns some property about 1.3 miles north of our preferred site that is also being considered. The hydrology studies would need to be completed for this site. Impact on other water sources in the area also needs to be considered. A change application for the water right would have to be filed with the state engineer if this site was chosen.

Cache Valley Property. We have had several enquiries on the Cache Valley property, but no offers.

South Willard. We are still serving water to the South Willard Water Company.

West Corinne Water Company. We have completed the Water Service Agreement and the MOU with the West Corinne Water Company. Plans are in the hands of the Division of Drinking Water. WCWC has the water purchase agreement and they are aware of the status of the project. We have been asked to attend their board meeting in January to further discuss the project. They are interested in getting the canal crossing and the meter station in as soon as possible, then installing the water line in the spring. Our engineers are looking over the quotes and verifying them with the plans. This is a 10" line that is one mile long.

The Weather Modification Contract has been signed and sent to the State.

Board Member Terms. Jay Carter, Neil Capener and Jeff Scott were all re-appointed to 4-year terms by the County Commission at their December 5, 2018 meeting. Thank you for your continued service.

South Willard Developers. We have had 3 meetings with Blue Ox and Willard LLC, the two developers in South Willard that have 550 homes planned for the area, to discuss

their plans for water reservation for their developments. They are talking about creative ways to reserve water from the District. We want to do it in a manner that the District is protected. Blue Ox has acreage on the east side that they want to run a gravel pit for 15 years then develop. They have 2 parcels on the west side that they want to develop for multiple use. Willard LLC has 4 parcels on the west that has been farm land. We have discussed that our water would be for residential, indoor use only. They don't want to pay for 15 years to have the water reserved for the east side. We have spoken with our attorney for a solution. She has helped other districts and suggests 3 types of agreements. First is a reservation agreement; the reservation is paid for annually, usually around the first of February. This allows the District to provide water availability, so the developer can move forward with the approval process with the County. Any time there is no payment within 30 days the agreement expires, and the water returns to the District's inventory. The second is a development agreement; this agreement spells out all the details for the development including what infrastructure is needed, how much water is needed and how many homes and ERUs are included, etc. The third agreement is a pioneering agreement. This agreement enables the first developer to be paid for a portion of the infrastructure costs, by subsequent developers that benefit from the infrastructure he installed.

There was a discussion on how the District would be involved in the pioneering agreement if it is between the two developers. That is yet to be worked out. The District's Water Service Policy will need to be updated to include these different types of agreements.

Board Member Larson made a motion to update the Water Service Policy to include Reservation, Development and Pioneering Agreements for developers. The motion was Seconded by Board Member Day. All Members voted in favor of the motion.

40 Year Plan. Lance Nielsen, with Hansen, Allen & Luce, is working on finishing our 40 Year Plan. He is also working on an Asset Management Program for the District which consists of identifying assets, software interface and a host for the GIS system. The software will provide maintenance schedules, record of repairs, etc. on each asset. Lance is working on a scope of work and costs estimates. Our current budget is 2 million per year, an asset management system is required when the budget reaches 5 million.

Personnel Policy Review- Paragraph 6.2.3, Benefits Eligibility for Board Members was added: Elected Officials and Appointed Trustees are considered part-time employees and are ineligible for retirement benefits.

A motion to accept the policy change was made by Board Member Scott. The motion was seconded by Board Member Vincent. All Members voted in favor of the motion.

A motion to accept the Open Account List as presented was made by Board Member Larson. The motion was seconded by Board Member N. Capener. All Members voted in favor of the motion.

A motion to accept the Board Meeting Schedule for 2019 as presented was made by Vice Chairman Forsgren. The motion was seconded by Board Member Larson. All Members voted in favor of the motion.

A motion to accept the Meal and Travel per Diems for 2019 as presented was made by Board Member Day. The motion was seconded by Vice Chairman Forsgren. All Members voted in favor of the motion.

A motion to accept a 3% Cost of Living Wage Increase for employees was made by Vice Chairman Forsgren. The motion was seconded by Board Member Scott. All Members voted in favor of the motion.

The District has received a quote on a new 1 ton, Ford truck of \$34,482 plus \$16,252 for a utility bed, bumper crane and snowplow package.

A motion to proceed with the purchase of the 1 ton, Ford truck as described was made by Board Member Larson. The motion was seconded by Board Member Vincent. All Members voted in favor of the motion.

The General Manger presented to the board that the Harper Ward and Tremonton A bonds have 3 remaining payments and could be paid off this year. The first payment would come from the 2019 budget. The second payment would come from the impact fees that have been collected and the 3rd payment would come from the reserve accounts established at the beginning of the bonds that now have met the requirement of one annual payment.

The Bypass bond has only 2 remaining payments and could be paid off this year. The first payment would come from the 2019 budget. The final payment would come from the reserve account.

A motion was made by Board Member Larson to proceed with paying the bonds off as presented. The motion was seconded by Board Member Day. All Members voted in favor of the motion.

Financial Business – Charles Holmgren Approval of Financial Statements

The financial statements for November 2018 were prepared and provided to the Board Members. Financial Chairman Holmgren has reviewed the reports and asked for the Board to approve them.

A motion was made by Board Member Vincent to approve the financial statements as presented. The motion was seconded by Board Member Howe. All Board Members voted in favor of the motion.

A motion was made by Board Member Larson to adjourn the meeting. The motion was seconded by Vice Chairman Forsgren. All Board Members voted in favor.

The meeting adjourned at 8:55 PM.