

**Bear River Water Conservancy District
Board Meeting
Wednesday, January 28, 2015 7:00 p.m.
Bear River Water Conservancy District Conference Room
102 West Forest Street, Brigham City, Utah**

Minutes

Present: Trustees: Vice Chairman David Forsgren, Financial Chairman Charles Holmgren, Brent Baugh, Tyler Vincent, Neil Capener, Richard Day, Russ Howe, Jay Carter and Jeff Scott

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

Visitors: Marla Young, Box Elder County Clerk
Bill Bigelow, Hansen Allen and Luce
Eric Johnson, Blaisdell, Church & Johnson, LLC

Excused: Clinton Burt, Roger Fridal

Meeting called to order by Vice Chairman Forsgren

Pledge of Allegiance

Adoption of the Agenda – Vice Chairman Forsgren

There were no changes to the agenda.

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

Approval of the Minutes for the Board Meeting held December 30, 2014.

The minutes of the Board Meeting held December 30, 2014 were included with the packet that was mailed to the Board Members.

A motion was made by Board Member Scott to approve the minutes for the meeting held December 30, 2014, as corrected. The motion was seconded by Board Member Day. Vice Chairman Forsgren, Financial Chairman Holmgren and Board Members Scott, Carter, Howe, Day, Capener, Vincent and Baugh voted in favor of the motion.

**Trustee Oaths – Marla Young, Box Elder County Clerk
Jay H. Carter – Western Box Elder County
Jeffrey D. Scott – Box Elder County Commission
Neil C. Capener – Portage-Plymouth-Fielding-Riverside**

Box Elder County Clerk, Marla Young, administered the oath of office to re-appoint Board of Trustee Members Jay H. Carter, Jeffrey D. Scott and Neil C. Capener. They were re-appointed by the County Commission on December 3, 2014.

Board Member Vincent arrived at this time.

Collinston Project Bond Amendment – Eric Johnson

We are here to approve an amendment of the bond closing documents. These documents are to amend the legal descriptions for some of the easements on the Collinston Project.

Resolution for the District

RESOLUTION 01–2015

A RESOLUTION AUTHORIZING THE EXECUTION OF THIRD AMENDMENT TO BOND CLOSING DOCUMENTS FOR THE LOCAL BUILDING AUTHORITY OF THE BEAR RIVER WATER CONSERVANCY DISTRICT, UTAH LEASE REVENUE BONDS, SERIES 2014; AND RELATED MATTERS.

A motion was made by Financial Chairman Holmgren to approve the Adoption of Resolution 01–2015 as written. The motion was seconded by Board Member Capener. Vice Chairman Forsgren, Financial Chairman Holmgren and Board Members Scott, Carter, Howe, Day, Capener, Vincent and Baugh voted in favor of the motion.

A motion was made by Board Member Scott to close the District meeting. The motion was seconded by Board Member Day. A roll call vote was taken:

Jeff Scott – Aye	Jay Carter – Aye
Russ Howe – Aye	Richard Day – Aye
Neil Capener – Aye	Tyler Vincent – Aye
Brent Baugh – Aye	Charles Holmgren – Aye
Dave Forsgren – Aye	

A motion was made by Board Member Vincent to open the meeting of the Local Building Authority. The motion was seconded by Board Member Carter. A roll call vote was taken:

Jeff Scott – Aye	Jay Carter – Aye
Russ Howe – Aye	Richard Day – Aye
Neil Capener – Aye	Tyler Vincent – Aye
Brent Baugh– Aye	Charles Holmgren – Aye
Dave Forsgren – Aye	

Resolution for the Building Authority
RESOLUTION 01–2015

A RESOLUTION AUTHORIZING THE EXECUTION OF THIRD AMENDMENT TO BOND CLOSING DOCUMENTS FOR THE AUTHORITY’S LEASE REVENUE BONDS, SERIES 2014; AND RELATED MATTERS.

A motion was made by Board Member Scott to approve the Adoption of Resolution 01–2015 as written. The motion was seconded by Board Member Carter. A roll call vote was taken:

Jeff Scott – Aye	Jay Carter – Aye
Russ Howe – Aye	Richard Day – Aye
Neil Capener – Aye	Tyler Vincent – Aye
Brent Baugh– Aye	Charles Holmgren – Aye
Dave Forsgren – Aye	

A motion to adjourn the meeting of the Local Building Authority was made by Board Member Vincent. The motion was seconded by Board Member Capener. A roll call vote was taken:

Jeff Scott – Aye	Jay Carter – Aye
Russ Howe – Aye	Richard Day – Aye
Neil Capener – Aye	Tyler Vincent – Aye
Brent Baugh– Aye	Charles Holmgren – Aye
Dave Forsgren – Aye	

A motion to reconvene the District Board meeting was made by Board Member Scott. The motion was seconded by Board Member Baugh. A roll call vote was taken:

Jeff Scott – Aye	Jay Carter – Aye
Russ Howe – Aye	Richard Day – Aye
Neil Capener – Aye	Tyler Vincent – Aye
Brent Baugh– Aye	Charles Holmgren – Aye
Dave Forsgren – Aye	

Collinston Project Update – Bill Bigelow and Bob Phippen

The facilities have all been constructed except a small meter station at Cedar Ridge and as soon as we receive the operating permit that meter station will be installed. We have been preparing punch lists for the contractors to be completed and we are anticipating an award of substantial completion so the project can be turned over to the District within a week or two. We also anticipate getting an operating permit from the State within a few weeks.

The Collinston Project included a blending plan for water to be sold to the Ukon Water Company to blend with their water to get them into compliance with the State as all of their sources are high in arsenic. A year ago the State asked the District to prepare a blending plan to study all the sources and come up with a blending ratio that would work for Ukon Water Company. In that blending plan the District thought that Ukon would need to purchase about 100 acre feet of water per year to take care of their culinary needs and to blend to keep their arsenic levels down. This number was based on average arsenic values. The State sent a letter in December stating they were going to require Ukon Water Company to use a much higher ratio which would cost Ukon an extra \$25,000 in one year. Ukon has talked to the State to ask them to come down a little bit on their initial position.

Bob Phippen presented a slide show of the Collinston Project.

South Willard Project – Rob Thayne

Rob Thayne presented a slide show of the progress on the South Willard well project.

Trustees Reports

Charles Holmgren – The Bear River Canal Company had their board meeting last week and at that time we had no additional candidates for the positions that are up for election. We have decided to increase our share assessments to allow us to catch up with canal safety issues as well as a number of issues with PacifiCorp and regular maintenance items. The canal company board was given a set of bylaws and articles of incorporation of a new organization, it will be called the Utah Association of Irrigation and Canal Companies. Canal companies are getting frustrated with representation by UWUA and Farm Bureau Federation with regard to political issues with the State Legislature. We are trying to form our own organization to enable us to hire lobbyists to work on bills before the State Legislature. Representative Kay McIff has a bill called the Share Holder Change Application legislation. It is quite disagreeable to the canal companies in Utah as to how it deals with water rights and how they are managed.

There was a Lower Bear River Distribution meeting today. We kept the same board members; Fred Selman, who represents the pumpers between Cutler Dam and the Bear River Bird Refuge and Howard Anderson, who represents tributaries to the Bear River in Cache County.

Snow pack numbers are difficult to get the past few days but we are at about 91% for snow pack. This is a bit discouraging but we are in better shape than we were a year ago. Bear

Lake elevation is at 5,912.69 and the PacifiCorp representative indicated that it will be another two months before they make the call on allocations for the year.

Brent Baugh –Blair summers talked with him the other day and Mr. Summers would like to rent the District farm when the Chanshare agreement has expired.

Tyler Vincent – The Brigham City wells were discussed at staff meeting. All our wells are up and we are receiving a lot of water. We are still a little bit nervous because of the poor winter.

Neil Capener – No Report

Richard Day – No Report

Russ Howe – No Report

Jay Carter – Since last board meeting there have been six wells drilled in the Park Valley area; four house wells and two stock wells. Of the four house wells; one house well is marginal at 10gpm and they had to drill a lot deeper than they expected, one well was not good at all and the other two were 25-30gpm. One stock well was 40gpm at only 160 feet deep and Jay's stock well was drilled to 160 feet and is producing 100gpm.

Jeff Scott – There are still a handful of companies interested in coming to the county and they will want water.

Dave Forsgren – Honeyville is doing well and our springs are up 20gpm from last year.

General Manager's Report – Voneene Jorgensen

We spent a good day with the auditors yesterday and got a lot done. We need to have a Federal Audit done because Federal funds were used in the Collinston Project. Wood Richards has given us a bid of \$11,850 for the District Audit and \$2,000 for the Single Audit. They do a good job and have given us such good prices.

A motion was made by Board Member Scott to accept the audit bid from Wood Richards for 2015. The motion was seconded by Board Member Baugh. Vice Chairman Forsgren, Financial Chairman Holmgren and Board Members Scott, Carter, Howe, Day, Capener, Vincent and Baugh voted in favor of the motion.

The Weather Modification Report was mailed in your packet. The program started on December 1st and 4 storms were seeded in December. The program goes until March 31st.

The financial statements for the end of December 2014 are before you along with the check register. They were not sent in the packet because the auditor had to do some year-end adjustments and we wanted you to have accurate numbers. To date we have received a total of

\$145,360 for the Collinston connections. We received \$736,209 from property tax for the year. All our bank statements and all our PTIF accounts have been balanced to the penny each month throughout the year. The audit will continue and the audit report will be given at our Annual Meeting in March.

The Rural Water Users Association conference is coming up on the 24th of February and Utah Water Users Workshop is in March. If you are planning on attending get your information to Cassee right away.

Regarding our Collinston project and the contract we have with Deweyville; the District had filed a Change Application to move 150 acre feet of our water right to the Deweyville wells and it was not protested. Then when we filed an Application for a Time Extension it was protested by some Deweyville citizens; they also protested Deweyville's Change Application so we will be going to a hearing with the State Engineers office the first or second week of February.

The State of Utah, Division of Water Resources gave a presentation on the Bear River Development Project at the Mayors Association meeting. It was the same presentation they gave to the District and they did a great job.

The Northern Utah Water Conference will be held at the end of March or first of April. We will let you all know as soon as we find out what the date is.

General Manager Jorgensen talked about a meeting with the Bear River Development group wherein Mike Collins made a statement that indicated they will plan to build a small reservoir for those who need it first and then build other facilities later when additional demand is there. The numbers they presented indicated that Box Elder and Cache County wouldn't need any water until the year 2060 but they had only accounted for the population demand and did not take into consideration any of our growth, industrial or commercial use that we need to be able to develop. General Manager Jorgensen told them that we could use water tomorrow if it was available. We have companies that want to come to our county but water is the limiting factor. This situation is similar to the news article in your packet regarding Duchesne County and the Central Utah Water Project. We need to have water available to us on day one. The Bear River Development should be built upon the 50/50/60/60 ratio. We need to continue to protect our allotment of the Bear River Development Project.

One last item of discussion is the Lease Purchase Contract with Zion's Bank. We can't move forward with funding the South Willard Project until we have approval from the Board to contract with Zion's Bank. We need a motion to approve moving forward with the contract with Zion's Bank with a few administrative issues that need to be resolved.

A motion was made by Board Member Scott to contract with Zion's Bank Finance pending resolution of administrative issues. The motion was seconded by Board Member Day. Vice Chairman Forsgren, Financial Chairman Holmgren and Board Members Scott, Carter, Howe, Day, Capener, Vincent and Baugh voted in favor of the motion.

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

The financial statements for December 2014 were prepared and provided to the Board Members at the board meeting. Financial Chairman Holmgren asked for the Board to review the financial statements and 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. Vice Chairman Forsgren, Financial Chairman Holmgren and Board Members Scott, Carter, Howe, Day, Capener, Vincent and Baugh voted in favor of the motion.

Public Comment

There were no public comments.

Adjourn

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

The meeting adjourned at 8:30 p.m.