

**Bear River Water Conservancy District
Annual Board Meeting
Wednesday, March 25, 2009, 7:00 p.m.
Bear River Water Conservancy District Conference Room
102 West Forest Street, Brigham City, Utah 84302**

Minutes

Present: Trustees: Chairman Clinton Burt, Vice Chairman Ross Rudd, Financial Chairman LaRall Thompson, Brent Baugh, Richard Day, Dave Forsgren, Reese Jensen, Stan Stokes, Charles Holmgren, Brian Shaffer and Brent Rose

Staff: General Manager Voneene Jorgensen, System Operator Robert Phippen and Administrative Assistant Judy Hartvigsen

Visitors: Bill Bigelow (Hansen, Allen & Luce)
Ryan Child (Wood Richards & Associates)

Invocation: Board Member Brent Baugh

Adoption of the Agenda

There were no changes to the agenda.

A motion was made by Vice Chairman Ross Rudd to adopt the agenda as written. The motion was seconded by Financial Chairman LaRall Thompson. All approved the motion.

Adoption of the Minutes for the meeting held Wednesday, February 25, 2009

The minutes were included with the packet mailed to the Board Members. There were no changes to the minutes.

Board Member Dave Forsgren moved to approve the minutes as written. Board Member Richard Day seconded the motion and it was unanimously approved.

Annual Status Report – Chairman Clint Burt

Chairman Burt gave the Annual Status Report. He explained there was quite a bit of activity in the last year. He read the mission statement of the BRWCD and gave a list of Officers, Board Members and staff and changes over the year. The report included the following highlights for the year:

- Audit for 2007 presented at the annual meeting March 2008
- Consumer Confidence Reports prepared as required by the Division of Drinking Water
- Public hearing was held in December to adopt the budget for 2009

- Chanshare lease for the farm continued. Chanshare partnered with the District to design and retrofit the pump station and the project was completed.
- The contract for lease of the Cache Valley property was not renewed for 2009
- Assisted Riverside/North Garland with water right proof
- Continued to assist Beaver Dam with monitoring spring flow
- Assisted Brigham City with wheeling water to Procter & Gamble Construction
- Followed matters of interest for the District at the Legislature and Bear River Commission
- Purchased land and easements for a new well and reservoir in Harper Ward
- Harper Ward has 90 connections with 78 actively taking water
- Bothwell system has 34 retail connections, three inactive
- Amount of water sold to wholesale customers totaled 267 Acre Feet
- Bear River Development and the Washakie Reservoir
- Weather Modification including increased precipitation and snow water content amounts
- Staff and Trustees attended trainings and conferences
- Creation of the BRWCD Local Building Authority for financing of the Bond for South Willard Project
- The South Willard project was successfully bid and awarded to three contractors. Construction is underway and ahead of schedule
- Completed secondary water study for South Willard
- Continuation of monitoring the levels of springs and wells in South Willard.
- Completed the re-funding of existing bonds to eliminate the trustee.
- Participated at the Box Elder County Fair

Chairman Burt then opened the meeting for questions from the Board Members.

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

Ryan Child from Wood Richards & Associates gave the annual audit report for the year ending December 31, 2008. Board Members were provided with copies of the audit report at the meeting. Mr. Child stated the Bear River Water Conservancy District was issued an unqualified opinion of the financial statements. He stated this is a clean opinion and he commended the management for a great job. He went over some of the highlights in the report and explained the unrestricted cash and investments, current assets, restricted cash and investments, capital assets, bonds payable and payments that are due with an increase in the payments in 2010. Mr. Child recommended segregation of duties for increasing internal controls by having someone review the bank statements and look at the cancelled checks to notice the amounts and signatures, and ensure there are no irregularities. General Manager Jorgensen explained she has already started having the Treasurer review the bank statements each month containing copies of the checks.

Vice Chairman Ross Rudd moved to accept the audit report and offered appreciation to Mr. Child and Wood Richards for the report. The motion was seconded by Financial Chairman LaRall Thompson and unanimously approved.

General Manager Jorgensen invited the Board Members to come in to the office and review the financial records and bank statements if they desire.

South Willard Project update – Bill Bigelow and Bob Phippen

District Engineer, Bill Bigelow of Hansen Allen & Luce presented an update on the South Willard project. The reservoir is coming along with walls being formed up. The contractor is currently ahead of schedule. He stated he is very pleased with the contractor and the work being done. The pump station contractor has not broken ground yet but is close. He is holding off until the reservoir contractor is finished with grading. The pump station should have the footings and foundation in by next month's report. The pipeline contractor is still waiting for the easement issues to be resolved before starting and that has put them a little behind. General Manager Jorgensen gave information regarding the progress of resolving the easement issues. We have now received the documents and she asked for the authorization from the Board to sign the easement agreement.

Board Member Dave Forsgren moved to authorize the signing of the easement for the South Willard pipeline. Board Member Richard Day seconded the motion. All voted in favor.

Mr. Bigelow explained it has been a long process of changing the easement at the request of the developer. The developer refused to do the title policy but participated in the engineering costs. The new easement was a better location to avoid going under a bridge over the canal. Board Member Reese Jensen was concerned about the costs being paid by the District when the change was done at the developer's request. The District may be able to ask for compensation from the developer before they can obtain water. General Manager Jorgensen reported the paperwork for the easement is now done and we will be able to sign the contract with the pipeline contractor so they can start the boring. Mr. Bigelow estimated the completion of the project to be in August or September.

System Operator, Bob Phippen then presented a slide show of the construction progress on the South Willard Project. The photographs included the progress on the reservoir, pouring the floor, adding the pillars, building the forms for the walls, adding the rebar and the pipeline going to the retention basin.

Board Member Reports – Trustees

Ross Rudd: reported he enjoyed the Utah Water User's Conference in St. George. There are some points from the meetings he wants to address in a future Board Meeting.

LaRall Thompson: No report

Brent Baugh: No report

Reese Jensen: reported the last feeder line to P & G is going in on 1200 West. It will pick up the Bird Refuge Visitor's Center and go west to 2600 West, and then pick up an existing line to the airport. There has been some discussion with West Corinne Water Company for Brigham City to buy their line at 2600 West going west to the last home on Forest Street. Negotiations are going on right now between Brigham City and West Corinne Water Company. He stated the area was annexed into Brigham several years ago. Brigham will own the line within their city limits but be providing water to people outside their city limits if the sale goes through.

Stan Stokes: No report

Dave Forsgren: No report

Richard Day: reported on a meeting held in South Willard. Approximately 100 people attended the meeting. Terel Grimley from Pineview gave a presentation on the proposed secondary water system. Board Member Day reported he has had phone calls today and spoken with some of those in attendance. In a few weeks, Pineview will start asking for funds from those interested. They will be starting the process of getting residents to sign up. General Manager Jorgensen attended the meeting to show the District's support of the secondary water project. Board Member Day felt this is headed in the right direction. If all goes well, the system could be on line next fall. One of the areas of concern was for those who do not have any water shares. The study that was done showed adequate water to serve the area. The available water shares can be put together and distributed so those who want the secondary water can participate. General Manager Jorgensen explained the involvement of the District in the secondary water development. There is a limited supply of culinary water in South Willard and secondary water is necessary to restrict the culinary water for indoor use only. She explained when developers comes to the District for water service, they will be required to put in the secondary system as a condition to obtain the culinary water service and the properties will be connected to both systems.

Charles Holmgren: reported the Bear River Canal Company has increased their assessments by \$1.00 per share. Upcoming meetings are the Utah Water Users Mini Conference on March 31st and on April 7th there is a Bear Lake Preservation Advisory Committee Meeting with Pacificorp and irrigators. He enjoyed the Utah Water User's Conference and met with Jody Williams who is the water attorney for Pacificorp. The Canal Company is still working on finding water rights for the expansion at Procter & Gamble. The Bear River Club and the Bird Refuge are protesting these water rights. The Canal Company has been approached by the NRCS who want to provide funding for water measurement programs and by JUB Engineers who would like to find grant money for them for water quality. He complimented the County Commissioners on the landfill meeting held last night in Elwood. He appreciated their effort to explain the options for waste management in the County to the residents.

Brent Rose: No report

Brian Shaffer: reported on the meeting held for public input on the landfill issue held last night. The County Commissioners are exploring options to handle waste in more environmentally friendly ways. He is interested in turning the waste into an energy source and the ash remaining can be used back on the fields. He is committed to exploring this opportunity. There was a lot of discussion at the meeting about the County being a dumping ground. The technology will decrease the size of a landfill even if other entities bring waste to the site. He is convinced the response to NURLA will be for the County to withdraw from NURLA and not be part of them. A reason for that is to mitigate the development of another landfill in the county. He believes the option of the Promontory site may make White's Valley go away. He explained the technology they are proposing to bring in to heat garbage until it turns to gas. They will start the process using natural gas and when it gets going, part of the energy generated will go into the heating process. Air quality from the plant will exceed California standards for operation. This is proven technology. They are also building a plant in Blackfoot, Idaho right now. He stated the best way for the Board to help is to be open-minded and talk to your neighbors.

General Manager Jorgensen explained she is working on reclassifying the aquifer in White's Valley. The reclassification carries more restrictions and requirements to develop a landfill in the area. She explained there are five systems that get water from that area and it is an irreplaceable water source.

System Operator Bob Phippen reported on a meeting he attended regarding the Division of Environmental Quality creating a new rule for drinking water. The rule requires that a hydraulic model be done of a system before a system can be expanded in order to evaluate the impact of expansion on existing connections. This rule would not be in effect until there is a significant development that wants to be attached to the system. There was a discussion at the meeting of what constitutes a significant development. The model should take into account any vacant areas and count them as potential connections. General Manager Jorgensen stated this is a way of getting everyone to do a master plan or capital facilities plan which she feels would be beneficial. There would be some costs to do the model but once it is done, the updates could be done at minimal cost. Mr. Phippen also reported they talked about fire flow at the meeting and it is being considered to change the Fire Code making sprinkling systems mandatory in new residences. The size of the supply lines would need to be increased to meet requirements for flow when needed.

Clint Burt: reported on his way to St. George for the recent conferences he visited a geothermal plant near Milford. The plant has been generating electricity since 1990. There is a proposal to build an even larger plant in Honeyville. According to planners, the Milford plant is only about ¼ the size of the one being planned in Honeyville. He was surprised at the amount of equipment there. He learned the Milford plant generates enough electricity to save of 300,000 barrels of oil a year. Board Member Forsgren stated they are thinking of having three smaller plants instead of one large one near Honeyville.

General Manager's Report – Voneene Jorgensen

General Manager Jorgensen reported in the next week or so we should get reports and the enrolled copies of legislation that was passed. She will be most concerned about the ones that are in regards to the impact fee laws. The legislation that could really hurt us has been negated but has been sent to study. It is a bill taking away the taxing authority for Districts with appointed boards. The Utah Association of Special Districts will be watching that bill very closely.

The agenda was provided to the Board for the Northern Utah Mini Water Conference to be held March 31st. The conference is free and the agenda looks good.

General Manager Jorgensen asked for the Board to give direction on the landfill issue with the County Commission. She asked if there should be a letter from the Board or whether the Board Members should talk to friends and neighbors and let them know how they feel about it. She suggested asking friends and neighbors to write letters of support for the lease of the landfill. There may be a silent majority that is not against the action. A lease to NURLA would be fine until Promontory is up and running. She asked for suggestions from the Board of how to show support. Chairman Burt stated he favored individual letters. Commissioner Shaffer also liked the idea of individual letters and felt it was good advice to explore the options. Board Member Forsgren stated he thought it was premature to express an opinion either way. Board Member Jensen stated he would support the Commissioners in exploring options but did not know as yet, what it is the Board would be supporting. Commissioner Shaffer stated the name NURLA is such a bad name in the County it needs to go away and the County is at the point of starting over on the landfill issue.

Financial Business – LaRall Thompson

The financial statements for February were provided for the Board Members in the packet that was mailed to them. Financial Chairman Thompson asked for a motion to approve the statements.

Vice Chairman Ross Rudd moved to approve the financial statements as presented. The motion was seconded by Board Member Charles Holmgren. The motion was unanimously approved.

Election of Officers – Chairman Clint Burt

Chairman Clint Burt opened the meeting for nominations of officers. Board Member Day asked if there is anyone ready to step in when someone is tired and wants to move on. He cited the example recently at the County Planning Commission when they lost the chairman. Board Member Holmgren stated he would like to be an officer on the Board but he is overloaded right now. Vice Chairman Rudd stated he has served for many years and believes this is a better informed and better trained Board than any other he has sat on. He added, any Board Member could accept a position and be knowledgeable about what is going on. He stated there isn't a man here who wouldn't be able to step in and his position is open to anyone who wants it. Board Member Jensen asked that the Board consider the feelings of the current officers and asked whether or not they were willing to

continue to serve. Chairman Burt stated he is willing to serve. Vice Chairman Rudd stated he is willing and able to do whatever the board wants.

Board Member Charles Holmgren moved to put in the existing officers by acclamation. The motion was seconded by Board Member Richard Day. All voted in favor.

Public Comment

There were no public comments.

Adjourn

Vice Chairman Ross Rudd moved to adjourn the meeting. Financial Chairman LaRall Thompson seconded the motion and it was unanimously approved.

The meeting adjourned at 9:17 p.m.