

**Bear River Water Conservancy District
Board Meeting
Wednesday, April 24, 2013 7:00 p.m.
Bear River Water Conservancy District Conference Room
102 West Forest Street, Brigham City, Utah**

Minutes

Present: Trustees: Chairman Clinton Burt, Vice Chairman Ross Rudd, Financial Chairman LaRall Thompson, Charles Holmgren, LuAnn Adams, Richard Day, Roger Fridal, Dave Forsgren and Tyler Vincent

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

Visitors: Bill Bigelow – Hansen Allen and Luce

Excused: Board Members Brent Rose and Brent Baugh

Invocation: Board Member LuAnn Adams

Adoption of the Agenda – Chairman Clint Burt

A motion was made by Board Member Tyler Vincent to approve the agenda as written. The motion was seconded by Vice Chairman Ross Rudd. Chairman Burt, Vice Chairman Rudd, Financial Chairman Thompson and Board Members Holmgren, Fridal, Day, Vincent, Adams and Forsgren voted in favor of the motion.

Approval of the Minutes for the Board Meeting held March 27, 2013

The minutes of the meeting held March 27, 2013 were included with the packet that was mailed to the Board Members.

A motion was made by Board Member Tyler Vincent to approve the minutes for the meeting held March 27, 2013. The motion was seconded by Vice Chairman Ross Rudd. Chairman Burt, Vice Chairman Rudd, Financial Chairman Thompson and Board Members Holmgren, Day, Fridal, Vincent, Adams and Forsgren voted in favor of the motion.

Project Updates – Bill Bigelow and Bob Phippen

Newman Well Upgrade

System Operator Bob Phippen explained a few slides from the work being done on the Newman Well. They started pulling the well and pump and inspected the pieces a few weeks ago. They are checking for any wear or corrosion. They sand blasted the well head. There were no cracks. They are going to re-epoxy the well head and return it to the well house. One slide showed the well being videoed. They bailed out the oil that floats on top of the water. Bill Bigelow reported it may be another couple of weeks before we have the parts to complete the project.

Beaver Dam Water System

Bill Bigelow updated the board on the progress in Beaver Dam. He will be sending in the application for the operating permit for the Sleepy Hollow Spring. After the Division of Drinking Water approves the permit, the water from the Sleepy Hollow spring can be turned into the system and combined with the water from the other springs.

Park Valley School Water Tank

Mr. Bigelow stated he completed the plans and specifications for the water tank project and submitted them to the school district last week. He believes they will have a bid opening on May 6th. He will be watching the progress during construction so he can apply for an operating permit after it is completed. The school district is bidding and constructing the project.

Collinston Area System

Bill Bigelow explained the Division of Drinking Water Board is being reorganized and they have cancelled the May meeting that we were going to attend and ask for the funding of the Collinston project. The District will now be going to the July meeting. He and the General Manager met with the DDW staff and found they are very favorable to the project. Mr. Bigelow met with Mark Larson of Ukon Water Company today. The District needs to prepare a blending plan to demonstrate how the process will work to blend Deweyville water with Ukon's water to reduce the amount of arsenic. They need to determine how much water Ukon will need to take to get the arsenic content down to a compliance level.

Mr. Bigelow explained it is proposed to construct a 1 million gallon reservoir. The DDW staff questioned whether or not we need a tank that big. It will be our job to show the need for a larger tank in the next twenty years. The cost difference of ½ million or 1 million gallons is about \$300,000 to \$400,000. He explained the process of the water coming from both Ukon and Deweyville and being blended in Ukon's tank.

Trustee Reports – Board Members

Ross Rudd: reported as he read the minutes from last meeting he gained an appreciation for the District General Manager and the staff with all that has been accomplished. He would like to have a conference table for the board room. General Manager Jorgensen explained she had a

table designed that was bid at about \$3,000. She has looked at tables priced from around \$3,000 to \$12,000. The board made suggestions and discussed businesses to have bid on making a table.

Vice Chairman Ross Rudd made motion to purchase a conference table. The motion was seconded by Board Member LuAnn Adams. Chairman Burt, Vice Chairman Rudd, Financial Chairman Thompson and Board Members Holmgren, Day, Fridal, Vincent, Adams and Forsgren voted in favor of the motion.

LaRall Thompson: No report

Tyler Vincent: No report

Roger Fridal: No report

Dave Forsgren: No report

Richard Day: reported the annual meeting of the South Willard Water Company will be held tomorrow. There are three board positions up for election.

Charles Holmgren: reported water from Canal Company will be available May 1st. He explained the Canal Company talked about bringing water in early but they are going through a "Global Change Application" with Pacificorp participating. It is the culmination of the adjudication of the water rights that has been worked on for 15 years. One of the clauses in the agreement is that the Canal Company cannot take any early water this year. They have a contract with Pacificorp that is 100 years old that gives the Canal Company 150 cfs but they need 600 cfs to operate with efficiency. It has been interesting watching the new manager. He is spending money doing a lot of work on the canals. They are looking at putting sensing systems in the canals. They have solicited different entities for proposals. He had Neal Anderson giving advice on the location of measuring devices. They want some systems similar to what cities and districts have.

There is an organization trying to sprout again called Utah Irrigator's Alliance. They are meeting a week from today at the Farm Bureau office in Salt Lake. Basically, irrigation entities want better representation in the legislature. He plans to attend the meeting. There was some discussion about the Farm Bureau support of the irrigation entities. General Manager Jorgensen explained a problem with the Farm Bureau setting policy before the issues with water legislation are known so it is hard to know whether the Farm Bureau supports or opposes bills. The Utah Water Users has members from many different entities and cannot support legislation that is harmful for any of its members. The Utah Water Users supports this new entity as a lobby for the irrigators.

Board Member Holmgren and General Manager Jorgensen attended the Bear River Commission Meeting on April 10th. There was discussion at that meeting about U.S. Fish & Wildlife making people uncomfortable with a decision that Mud Lake, which is a federal bird refuge, shouldn't be used as a water quality sink. A lot of nutrients come down the Bear River and are absorbed in Mud Lake making much better water quality going into Bear Lake. U.S. Fish & Wildlife don't want this in Mud Lake anymore but there is no way to get the water to Bear

Lake without it going to Mud Lake. There was discussion about having a public event at Mud Lake this summer. Pacificorp and three states are concerned with the issue.

A report was given on Bear Lake showing the level at 5916.63 feet on April 9th. The Lake has gone up about 1/3 foot since then. The Canal Company will take the natural flow for a short time before Pacificorp turns on the pumps. He looked at today's snow report which showed 96%. But they anticipate a very minimal amount of water will get to Bear Lake this year.

He then reported the Canal Company has some computer issues and will use last year's water schedule.

LuAnn Adams: commented she was at a Farm Bureau meeting where SB 109 was discussed. She then stated the County has enjoyed working with the new Canal Company manager.

Clint Burt: No report

General Manager's Report – Voneene Jorgensen

Update of Retail Rules and Regulations

General Manager Jorgensen stated the updated version of the District's "Retail Rules and Regulations" were provided to the Board Members at the last meeting. She asked if there were comments or corrections or whether the board was ready to approve it. Board Member Forsgren stated there were some redundant statements in a couple of places. Board Member Vincent agreed with the redundancy but felt it did not need to be changed. General Manager Jorgensen stated it gives us a procedure to follow. This document will be on the District website for reference. The application for water service has the customers initial all of the information that the customer is responsible for from the policy and the customer receives a copy of the application they have initialed and signed.

Vice Chairman Ross Rudd moved to approve the "Retail Rules and Regulations" for use by the District. The motion was seconded by Financial Chairman LaRall Thompson. Chairman Burt, Vice Chairman Rudd, Financial Chairman Thompson and Board Members Holmgren, Day, Fridal, Vincent, Adams and Forsgren voted in favor of the motion.

Collinston Project

General Manager Jorgensen stated the District submitted a request to file an application for a planning grant to be used to develop the blending plan and design of the Collinston system. She received a document today from the Division of Drinking Water that is a draft of an agreement with them stating they are giving us principal forgiveness, basically a grant of \$40,000 for Bill Bigelow to move forward with the design of the project and the blending plan for arsenic reduction. She read Resolution 02-2013 to authorize the principal forgiveness and approve the agreement with the Division of Drinking Water. This authorizes the signing of the agreement stating they are willing to give the District the grant funds and the District agrees to use the funds for the purpose stated.

Board Member LuAnn Adams moved to approve Resolution 02-2013 as presented. The motion was seconded by Board Member Tyler Vincent. Chairman Burt, Vice Chairman Rudd, Financial Chairman Thompson and Board Members Holmgren, Day, Fridal, Vincent, Adams and Forsgren voted in favor of the motion.

General Manager Jorgensen then updated the Board on other projects. The South Willard project is complete. As soon as she receives the final invoice for expenses, the reimbursement can be sent in and the project can be closed out.

The Box Elder School District is pleased with plans for the Park Valley School Water Improvements. They will be able to get it out to bid and constructed before the next school year begins.

The operating permit for Beaver Dam is being worked on. Nathan Hall of the Division of Drinking Water will be coming on May 8th for a final tour of the project and Clayton Grover will be contacted to get the sod in Earley Park replaced and the clean-up completed.

The Weather Modification Program is completed. It ended on March 31st. The last report was included in the packet that was mailed to the Board Members. The snow pack was at 66% for the Bear River Basin and the precipitation was at 79%. The report says there was a total of 1555 1/2 generator hours used during the program. The contract estimated 1900 hours giving us a savings of about \$3,100. She estimated the final cost at \$22,400. We will receive a check for the amount owed to us by the state after receiving the reconciliation of the actual costs.

The Northern Mini Water Conference the District participates in every year was held April 4th in Logan. We try to bring some of the same presenters up to Northern Utah that were seen in St. George. The Mayor of Logan showed pictures of canal project in Logan Canyon that was done by Whitaker Construction. Eric Millis, Kent Jones and Randy Julander also spoke. It was an excellent program but it was not well advertised. The agenda was included with the Conservation District bulletin instead of sending separate agendas out to the water community. The attendance was about 75 people and there are usually about 125.

General Manager Jorgensen then reported on one meeting she attended as part of the Governor's Gang of 6. The format of the public meetings to be held by the Gang of 6 is still being decided. It looks like the locations will be Logan, Vernal, Delta, Cedar City or St. George and one in the Layton or Salt Lake area. Some people want more meetings in the higher populated areas. There is a plan to put on a Webinar for those who would have to travel long distances attend a hearing. There is also a parallel program that is running along with the public meetings in which the Governor is basically asking where is the water going to come from, what projects will be needed in the future and how will we get the water there? The State of Utah is being divided up into river basins. They want a short, concise summary of what will be the future water demand, population and planned projects. She was assigned the Western Basin. The Bear River Basin is also in Cache County so it was given to Bob Fotheringham. There are two parts, the public hearings and the future demand with water projects. The public hearings will be held in July and August. There will be a presentation given at the Water Summit in October.

Update of Procurement Policy

This item was not discussed.

UT WARN Agreement

General Manager Jorgensen reported she received letter from Amanda Smith, Executive Director of the Department of Water Quality, encouraging the District to join UT WARN which is the Utah Water and Wastewater Agencies Response Network. The Rural Water Association is in partnership with them. This is a cooperative agreement with water agencies and utilities grouped together to provide mutual assistance to each other in times of emergency. The agencies that belong to UT WARN commit to assist each other if and when they are able to do so. It is available to all water and waste water entities whether public or private. Each agency may help another agency but are not obligated to help if they are not able. It is all voluntary. Tremonton City is a member of UT WARN. The agreement has been reviewed by our attorney and he approved it for the board of approve. Agencies who offer man power and equipment are reimbursed for the costs. Board Member LuAnn Adams stated it is a good idea to have this in place ahead of time. If there is an emergency, Rural Water Association will facilitate the cooperation of entities. The agreement was included in the packet that was mailed to the Board Members for their review.

Board Member LuAnn Adams moved to approve the agreement to join and cooperate with UT WARN. The motion was seconded by Board Member Roger Fridal. Chairman Burt, Vice Chairman Rudd, Financial Chairman Thompson and Board Members Holmgren, Day, Fridal, Vincent, Adams and Forsgren voted in favor of the motion.

Beaver Dam Residential Connections

General Manager Jorgensen presented a proposal to encourage Beaver Dam residents who are not connected to the new system to purchase a connection at a discounted rate. There are 24 property owners along Beaver Dam Road that would benefit from connecting to our system. We believe the well water they are using is also high in arsenic. They are part of our District and there is a public health issue involved. She wants them to know they have the opportunity to connect. It would be an advantage to the District to have the monthly revenue for water sales. She proposed \$3,000 as a one time incentive price before July 31st rather than the regular impact and connection fees. This is the same incentive that was given to Harper Ward residents who would connect early. The resident would still bear the cost of having the line installed from the meter to his home and pay \$40.00 minimum per month for the water. She also suggested offering an installment plan if the resident cannot pay the \$3,000 now. The board discussed the proposal and the options for the installment plan.

Board Member Tyler Vincent moved to approve the Beaver Dam residential connection proposal as presented. The motion was seconded by Vice Chairman Ross Rudd.

General Manager Jorgensen restated the proposal after the discussion. The resident would have two choices. He can pay \$3,000 up front, sign the water service application and agreement by July 31st, be responsible for the cost to have the water line installed from the meter to his home and pay the monthly charge of \$40.00 minimum for water usage. The other choice is the installment plan. The resident will sign the water service agreement by July 31st, the cost is \$3,000 paid in payments over five years, pay the cost of the water line installation from the meter

to his home, pay the monthly installment charge that will be added to the \$40.00 minimum water charge each month.

Board Member Tyler Vincent amended the motion to approve the installment plan of paying \$3,000 over five years making the minimum total of \$90.00 per month with \$50.00 for the connection and \$40.00 minimum for the water usage. Vice Chairman Ross Rudd seconded the motion. Chairman Burt, Vice Chairman Rudd, Financial Chairman Thompson and Board Members Day, Fridal, Vincent, Adams and Forsgren voted in favor of the motion. Board Member Holmgren voted against the motion. The motion carried.

General Manger Jorgensen then gave some explanation of the Profit and Loss Statement that shows the bottom line in the negative. It means we are working on last year's money. The first quarter always looks bad because all the loan payments, weather modification costs and depreciation are posted before we receive our wholesale water sales revenue or property tax revenue.

Board Member Ross Rudd asked if the state pays for the expenses of the General Manager to travel to the meetings required for her position on the Governor's Gang of 6. She has talked to others and found the state does not have funding for travel reimbursement for this. The board discussed paying these costs.

Vice Chairman Ross Rudd made a motion for the District to reimburse the travel costs of the General Manager for her attendance at the public hearings and meeting involved with this appointment. The motion was seconded by Board Member LuAnn Adams. Chairman Burt, Vice Chairman Rudd, Financial Chairman Thompson and Board Members Holmgren, Day, Fridal, Vincent, Adams and Forsgren voted in favor of the motion.

Financial Business – LaRall Thompson Approval of Financial Statements

The financial statements for March 2013 were prepared and provided to the Board Members in the packet that was mailed to them. Financial Chairman Thompson asked for the Board to review the financial statements and approve them.

A motion was made by Board Member Tyler Vincent to approve the financial statements as presented. The motion was seconded by Vice Chairman Ross Rudd. Chairman Burt, Vice Chairman Rudd, Financial Chairman Thompson and Board Members Holmgren, Forsgren, Vincent, Fridal, Adams and Day voted in favor of the motion.

Unfinished Business – Chairman Clint Burt

There was no unfinished business discussed.

Public Comment

There were no public comments.

Adjourn

A motion to adjourn the meeting was made by Board Member Tyler Vincent. The motion was seconded by Board Member Richard Day Chairman Burt, Vice Chairman Rudd, Financial Chairman Thompson and Board Members Holmgren, Day, Fridal, Adams, Vincent and Forsgren voted in favor of the motion.

The meeting adjourned at 8:38 p.m.