

**Bear River Water Conservancy District
Board Meeting
Wednesday, June 25, 2014 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 David Forsgren, Jay Carter, Charles Holmgren, Brent Baugh, Roger Fridal, Tyler Vincent, Neil Capener, Richard Day and Jeff Scott

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

Visitors: Bill Bigelow, Hansen Allen and Luce
Lance Postma, Cache Valley
Eric Johnson, Blaisdell, Church & Johnson, LLC

Excused: LaRall Thompson

Invocation: Board Member Richard Day

Pledge of Allegiance: Lead by Chairman Clint Burt

Adoption of the Agenda – Chairman Clint Burt

There were no changes to the agenda.

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

Approval of the Minutes for the Board Meeting held May 28, 2014.

The minutes of the Board Meeting held May 28, 2014 were included with the packet that was mailed to the Board Members.

A motion was made by Vice Chairman Forsgren to approve the minutes for the meeting held May 28, 2014. The motion was seconded by Board Member Fridal. Chairman Burt, Vice Chairman Forsgren and Board Members Baugh, Vincent, Fridal, Capener, Day, Holmgren, Carter and Scott voted in favor of the motion.

Cache Valley Property – Lance Postma

Cache County has asked for a letter of authorization from the District to have a perk test done for the Bear River Health Department. They need to dig a 6 foot long and 2 feet wide by 6 foot deep hole to test for a septic tank. I have gotten a lot of information from General Manager Jorgensen and have gone through most of the details but I still have several items to do for the CAMP application process. I have had to get letters from various organizations authorizing me to start with planning and then I will sit down with the CAMP, and have UDOT sit in, to verify that we have the capability of improving the access points. This property was grandfathered in from the prior owner as recreational use on a conditional use permit. The CAMP meeting deadline is July 9 but they would like to have all the survey deadlines turned in by July 2 with the meeting being held on August 7. I would like to request an extension on the deadline to October when the lease is up because we would probably not be able to get in and do any construction before that time. Mr. Postma is very confident about getting approved for financing and he is working on the down payment. The building plans are in the process of being done. It is a basic pre-fabricated steel frame building.

A motion was made by Board Member Carter to extend the deadline from June 30, 2014 to October 30, 2014. The motion was seconded by Board Member Day. Chairman Burt, Vice Chairman Forsgren and Board Members Baugh, Vincent, Fridal, Capener, Day, Holmgren, Carter and Scott voted in favor of the motion.

The Board has directed General Manager Jorgensen to contact the tenant about entering the property to perform a perk test for a septic system on the property.

A motion was made by Board Member Day to allow authorization for a perk test once the tenant had been contacted. The motion was seconded by Board Member Fridal. Chairman Burt, Vice Chairman Forsgren and Board Members Scott, Carter, Holmgren, Day, Capener, Fridal, Vincent and Baugh voted in favor of the motion.

Collinston Project Bonding – Eric Johnson

Eric Johnson explained the resolutions before the Board. In November 2014 the Board approved the financing of the 2014 Bonds for the Collinston Project. The Collinston Project is going to be cross-collateralized with the South Willard Project which was completed in 2008. Those bond documents amended what was done in 2008. Then, as we were finalizing everything, it occurred to me that the property descriptions on the South Willard Project had been updated in 2010. What this resolution does is to clarify that when we were approving

amendments to the 2008 documents we meant “as those might have been previously amended”. It is just a minor clarification to make sure the documentation shows approving the amendments to the 2008 documents as previously amended, this time in relation to the Collinston Project. There are two resolutions; one is to be approved on the behalf of the District and the other is to be approved as the Board of the Local Building Authority.

Resolution for the District

RESOLUTION 02–2014

A RESOLUTION CLARIFYING THAT IN RELATION TO THE SERIES 2014 BONDS OF THE BUILDING AUTHORITY APPROVAL OF AMENDMENTS TO LEASE, GROUND LEASE, SECURITY DOCUMENTS, ETC., INCLUDES AMENDING PRIOR AMENDMENTS TO THOSE DOCUMENTS, AND RELATED MATTERS

A motion was made by Board Member Fridal to approve the Adoption of Resolution 02–2014 as written. The motion was seconded by Board Member Baugh. Chairman Burt, Vice Chairman Forsgren and Board Members Scott, Carter, Holmgren, Day, Capener, Fridal, Vincent and Baugh voted in favor of the motion.

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

A motion was made by Vice Chairman Forsgren open the meeting of the Local Building Authority. The motion was seconded by Board Member Day. Chairman Burt, Vice Chairman Forsgren and Board Members Scott, Carter, Holmgren, Day, Capener, Fridal, Vincent and Baugh voted in favor of the motion.

Resolution for the Building Authority

RESOLUTION 01–2014

A RESOLUTION CLARIFYING THAT IN RELATION TO THE SERIES 2014 BONDS OF THE BUILDING AUTHORITY APPROVAL OF AMENDMENTS TO LEASE, GROUND LEASE, SECURITY DOCUMENTS, ETC., INCLUDES AMENDING PRIOR AMENDMENTS TO THOSE DOCUMENTS, AND RELATED MATTERS.

A motion was made by Board Member Holmgren to approve the Adoption of Resolution 01–2014 as written. The motion was seconded by Board Member Fridal. Chairman Burt, Vice Chairman Forsgren and Board Members Scott, Carter, Holmgren, Day, Capener, Fridal, Vincent and Baugh voted in favor of the motion.

A motion to adjourn the meeting of the Local Building Authority and reconvene the regular District meeting was made by Board Member Holmgren. The motion was seconded by Board

Member Day. Chairman Burt, Vice Chairman Forsgren and Board Members Scott, Carter, Holmgren, Day, Capener, Fridal, Vincent and Baugh voted in favor of the motion.

Collinston Project Update – Bill Bigelow

The Collinston Project is going very well. They are getting ready to pour slabs for the two booster stations. About 3,600 feet of pipeline has been laid on UDOT according to Bob Parker and the crew that Bob Phippen is inspecting has laid a comparable amount in the combined areas on 3400 west and then in Collinston up on toward the tank. We've held pre-construction meetings for both the tanks and the pipelines and we had a special pre-construction meeting for the electrical contractor to prevent problems with electrical issues. They have poured the floor on the south tank and are going to start excavating for the north tank site. Our pipeline crews have learned how we would like our pipeline laid and they are doing a nice job as we are very fussy about backfill around the PVC pipe and not allowing any rocks to go in. We have two crews working on pipelines; one crew is being inspected by Bob Phippen and the other is being inspected by our hired inspector, Bob Parker, who also does all our compaction testing. Traffic control is going well with flaggers on each side. Daily construction reports are being done by both inspectors and tracer lines and warning tapes are being done on all lines and hydrants.

Slide Show – Bob Phippen

Bob Phippen presented a slide show of photos taken since last board meeting on construction of the pipelines, booster stations and tanks for the Collinston Culinary Water Project.

Engineering Contract for Services during Construction

We have received the engineering contract from Hansen, Allen and Luce for services during construction. Bill has given us an outline on the tasks that are proposed as the scope of work. The wages for Bob Parker from AGECE – Applied Geotech come through this engineering contract. The only item the District is paying for is his lodging. We will only pay for the services we get and for the hours that we use. This contract is for \$174,000 and is not to exceed that amount.

A motion to approve the Engineering Contract for Services during Construction for Hansen, Allen & Luce was made by Vice Chairman Forsgren. The motion was seconded by Board Member Capener. Chairman Burt, Vice Chairman Forsgren and Board Members Scott, Carter, Holmgren, Day, Capener, Fridal, Vincent and Baugh voted in favor of the motion.

Trustees Reports

David Forsgren – No report

Brent Baugh – He thanked everyone for the flowers that were delivered to his house the afternoon of his brother's funeral.

Tyler Vincent – No report

Roger Fridal – He had a nice visit with Randy Marble and Randy is very happy with the relationship he has with the District. In Randy's opinion, General Manager Jorgensen does an excellent job for the District.

Neil Capener – No report

Richard Day – No report

Charles Holmgren – We hit maximum elevation at Bear Lake on June 7 at 5,914.14 feet which is a couple feet lower than anticipated. Outflow at Bear Lake is 831cfs, of that, 505cfs is natural flow coming out of the river so they are pumping 375cfs which is lifting water up to Mud Lake for discharge down the river. The Canal Company is pulling 900cfs. We got into a debate with PacifiCorp whether or not we were getting all our water at Cutler Dam so they are putting in new measuring devices. In the last three weeks PacifiCorp over-compensated and has sent us extra water. This has almost over-topped some of the canals in the East Garland area. We have been getting so many complaints from our shareholders that Brent Rose, our attorney, has sent a letter to John Mabey of PacifiCorp asking for better cooperation with the Canal Company. We are within a week to ten days of maximum demand then we will start backing off in another 10 days. At this time of year we are fighting moss in the canals and it is hitting a lot of the small ditch companies so we are experimenting with moss control products.

Jay Carter – We don't have a moss problem in Park Valley, when you don't have any water, you don't have any moss. Our water is way down in Park Valley and we are basically done.

Jeff Scott– I appreciate General Manager Jorgensen's work on gathering the information on the impact the proposed landfill would have on the water in Hansel Valley. The County Planning Commission tabled the issue. There was a motion to completely deny the proposed landfill and it failed. I am meeting with Mr. Moulding on Friday so I will have a little more information on this issue for July Board Meeting.

Clint Burt – No Report

General Manager's Report – Voneene Jorgensen

Randy Moulding came in to meet with me. He wanted to discuss his proposal on his landfill and wanted to know my feelings about it. He told me about the landfill business he has had for 25 years. He said he chose this particular site because of its access and also because of the natural contour of the valley. He said he wanted to do the right thing and design the landfill the correct way; even above the standards if that is what the District wanted and we are welcome to all the information from his engineers. He is not intentionally trying to hurt anybody but his business is in landfills. General Manager Jorgensen reminded him that her business is to protect the County's water and the culinary water in that pocket is precious as we don't have a lot of water in Box Elder County. She would have no problem with having a landfill in our county as long as it is in a location where there could be no harm done to the ground water. Everyone she has talked to likes Mr. Moulding as a person; they just don't like what he is doing in Hansel Valley. The residents of Hansel Valley feel that the area should stay as a farming community and the people are frightened by the possibility of their only water supply being contaminated by his landfill. General Manager Jorgensen told Mr. Moulding that if he contaminates the water he would have to replace that water. She asked him if he had a plan where the replacement water would come from. Our stewardship as the Bear River Water Conservancy District is to protect the water. The District would never be able to support the landfill with all the seismic activity and flooding in that area in addition to the possible water contamination.

General Manager Jorgensen was very saddened on June 6 when LaRall Thompson came in to sign checks and said this would be the last time he would be coming to the office. His family has convinced him that it was time for him to retire. He said it has been his pleasure to serve on the Board of Trustees for the past 20½ years. He has enjoyed working with all the trustees and staff. He has enjoyed being part of the growth of the District and has supported each of the projects the District has done. He wishes the District continued success. He has been such a great asset to our Board and such a good friend. We will invite LuAnn, Ross and LaRall to the Annual Barbeque to present awards to them.

A motion to accept LaRall Thompson's resignation was made by Board Member Vincent. The motion was seconded by Board Member Scott. Chairman Burt, Vice Chairman Forsgren and Board Members Scott, Carter, Holmgren, Day, Capener, Fridal, Vincent and Baugh voted in favor of the motion.

Chairman Burt announced that the Board needed a new Financial Chairman since LaRall Thompson had resigned. He has discussed the situation with General Manager Jorgensen and they decided to appoint Charles Holmgren to take over as Financial Chairman until the next Annual Board Meeting elections in March 2015.

A motion to appoint Board Charles Holmgren as the Financial Chairman was made by Board Member Carter. The motion was seconded by Board Member Vincent. Chairman Burt, Vice Chairman Forsgren and Board Members Scott, Carter, Holmgren, Day, Capener, Fridal, Vincent and Baugh voted in favor of the motion.

General Manager Jorgensen will contact Mr. Byington to schedule a time to have the perk test taken on the Cache Valley property. All the information that Mr. Postma has asked for was sent the day after we received his email. We have responded pretty quickly to his requests.

There is a Task Force Meeting tomorrow and I will continue to attend those. The Water Summit is on October 28, at the Utah Valley Conference Center. This is the same one as last year where the Governor attended and we talked about his water incentive program. We will be discussing the agenda items. The Summit is sponsored by the UWUA the District is one of the sponsors of that as well.

The weather modification program is over. We have received the final reimbursement on that program for 2013-2014. The state pays 50% of the actual cost of the program. The set-up and take down is a fixed amount as well as the monthly operation cost and there were a total of 750.6 generator hours used. We feel like it is a very good program to be involved in especially since the state pays half of the cost and we get a 13-18% enhancement of our precipitation.

We have had a problem with our Beaver Dam lower springs. The spring boxes in the lower east and west springs are leaking. The spring boxes were constructed in two sections and sealed but the seam has been leaking and they will not pass the state inspection. We have had them excavated so there will not be any more ground water going into those springs until we can get those repaired and sealed so we can pass the State of Utah MPI test.

Charles and I attended a meeting with BRAG. Zach Covington invited us to a meeting with Marissa from the State of Utah Division of Water Resources and UDOT and a lot of other towns and cities attended. They talked about the trail system they were planning, about the corridor for the Bear River Pipeline and also the UTA corridor for the Front Runner from Ogden to Brigham City. We felt good about being part of that conversation and it was a good meeting.

We will be moving forward with the Bear River Development group meetings with Marissa and the State with the plans on the Bear River Development corridors for the pipelines and the locations of the reservoirs. As information comes forward, I will be reporting on the progress.

Cassee has been working with Caselle on an upgrade on the billing program.

I am continuing to work with the Governor's Strategy Advisory Team. We are looking at different methods and assumptions and hope to have some different priorities and different surveys that will be given to the general public in the fall to see how the public relates to the topics. The goal is to have a plan or strategy before the election season.

Tim Munns from Hansel Valley would like the District to continue to work with them to get information regarding Hansel Valley and the proposed landfill. General Manager Jorgensen would like approval from the Board to continue to help the residents.

A motion was made by Board Member Day to continue to research and get information for the residents in Hansel Valley. Board Member Capener seconded the motion. Chairman Burt, Vice Chairman Forsgren and Board Members Scott, Carter, Holmgren, Day, Capener, Fridal, Vincent and Baugh voted in favor of the motion.

Marv Allen of Hansen, Allen and Luce said the EPA can be petitioned for sole source classification in Hansel Valley. That pocket in Hansel Valley is so much like the Bothwell pocket.

**Financial Business – Chairman Clinton Burt
Approval of Financial Statements**

The financial statements for May 2014 were prepared and provided to the Board Members in the packet that was mailed to them. General Manager Jorgensen asked for the Board to review the financial statements and approve them.

A motion was made by Board Member Fridal to approve the financial statements. The motion was seconded by Board Member Day. Chairman Burt, Vice Chairman Forsgren and Board Members Scott, Carter, Holmgren, Day, Capener, Fridal, 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 Scott. The motion was seconded by Board Member Holmgren. Chairman Burt, Vice Chairman Forsgren and Board Members Scott, Carter, Holmgren, Day, Capener, Fridal, Vincent and Baugh voted in favor of the motion.

The meeting adjourned at 8:46 p.m.