

**Bear River Water Conservancy District
Board Meeting
Wednesday, November 11, 2009 5:00 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, Dave Forsgren, Reese Jensen, Brent Rose and Charles Holmgren.

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

Visitors: Bill Bigelow (Hansen, Allen & Luce)

Excused: Commissioner Brian Shaffer, Stan Stokes and Richard Day

General Manager Jorgensen told the Board Members about the Utah Water Summit to be held December 1, 2009 and invited them to participate. The registration deadline is November 20, 2009.

Invocation: Board Member Reese Jensen

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 presented. The motion was seconded by Financial Chairman LaRall Thompson. Chairman Burt, Vice Chairman Rudd, Financial Chairman Thompson and Board Members Holmgren, Rose, Jensen, Baugh and Forsgren voted in favor of the motion.

Adoption of the Minutes for the meeting held October 28, 2009

A copy of the draft minutes was included with the packet mailed to the Board Members. There were no changes to the minutes.

Board Member Reese Jensen moved to approve the minutes of October 28, 2009 as written. Board Member Brent Baugh seconded the motion. Chairman Burt, Vice Chairman Rudd, Financial Chairman Thompson and Board Members Holmgren, Rose, Jensen, Baugh and Forsgren approved the motion.

South Willard Project update – Bill Bigelow and Bob Phippen

Bill Bigelow of Hansen, Allen & Luce gave an update on the South Willard project and explained they are in the process of finishing everything. An inspection of the pump station has been performed and he is working on a final punch list for the contractor. He is very pleased with the way it is working. The pump is pumping nicely. The pipeline contractor is getting ready to flush the lines. They were given a punch list a month ago for finishing the pipeline contract. Emails regarding fixing leaks in the tank have been sent to Build Inc. The small leaks have sealed. The larger leaks will be chipped and filled with grout. Mr. Bigelow stated this type of leakage is not out of the ordinary. The contractor wants to do the sealing from the outside and not drain the tank. He explained the process that the contractor wants to follow to make the leak repairs. The last time the leakage was measured, it was leaking about 3 times the rate allowed in a 24 hour period. It is the contractor's responsibility to make sure it doesn't leak so he will be taking care of it. They looked at the radio situation for the SCADA today. The system is getting really close to being ready for use. Before serving water to the public, we have to obtain an operating permit from the state. There are still some hoops to jump through for the state in order to receive the permit. Mr. Bigelow opened the meeting up for questions from the Board.

System Operator Bob Phippen gave an explanation of the problems with the SCADA communications. He explained Ryan Pack of SKM Inc. was here today. He is the one who built the SCADA system for us. The problem is that we have not been able to communicate to the office from the South Willard site because of the mountain range. There is not a line of sight to the office. The alternative is to make the Bothwell site as the main station and relay from there to the office in Brigham City. They tested it today and it will work fine. We will also upgrade the radios and purchase another radio making any future site a repeatable site. This is a change to the original intent and we are waiting for SKM Inc. to give us the costs for the change. By purchasing a new radio and making this change it will give us a lot of flexibility for the future.

Presentation of Tentative 2010 Budget – Voneene Jorgensen 2009 Budget Evaluation

The Board Members received a copy of the budget presentation worksheet and the budget detail for the previous year and upcoming year. They also received a spreadsheet of the Tax Rate Summary that included adjusted valuations, certified tax rate, projected revenues and actual tax revenues received. General Manager Jorgensen reviewed the current year budget and stated it would not need to be amended. The District has not exceeded the current year's budget in any area and has actually spent less than was budgeted.

Approval of 2010 Tentative Budget

General Manager Jorgensen explained the spreadsheet regarding the tax rate summary and the previous revenues and evaluations. She stated it is all an approximation. She does not know what the actual tax revenue will be for the coming year. If there is significant difference in the actual revenues and expenses, the budget can be opened and amended.

General Manager Jorgensen then went over the current budget and each line item starting with the actual amount of property tax that was received from the County in 2009. The percentages of the actual use are under the amounts budgeted. At the current year estimation, we have a net income to \$853,184.00. This amount includes the state grant of \$600,000.00. She explained how she estimated the expenditures for the remainder of the year and the line items were reviewed. The budget for 2010 was then reviewed and General Manager Jorgensen stated she has included small increases for some of the expenses but the majority of the budget will remain the same as the previous year. She explained the Exploration & Studies line item is a balancing item used to help other communities with water issues when help is requested. There was a discussion regarding the impact fees and their use. General Manager Jorgensen indicated the ending balance is zero which shows this to be a balanced budget. She opened the meeting for questions and comments from the Board. The loan for the South Willard project has generated interest income for the District this year that will not be revenue for next year.

Vice Chairman Ross Rudd made a motion to approve the tentative budget as presented. The motion was seconded by Financial Chairman LaRall Thompson. Chairman Burt, Vice Chairman Rudd, Financial Chairman Thompson and Board Members Holmgren, Rose, Jensen, Baugh and Forsgren voted in favor of the motion.

Budget Hearing Date – December 16, 2009

The public hearing for the 2010 Budget was set for December 16, 2009 at 6:00 p.m.

Trustee Reports

Ross Rudd: asked if anyone saw the show on TV about the Green River. It was very interesting. He gave an unofficial report on a large proposed subdivision in his area that should be coming to the District for water service. General Manager Jorgensen stated they came in a while ago and there was a discussion regarding the option of extending the bypass line. Riverside / North Garland Water Company has increased their water subscription to 30 acre feet.

There was a discussion of storage water from the Bear River being added to the aquifer in an open reservoir thus using the aquifer as the storage medium for the water.

LaRall Thompson: No report

Brent Baugh: reported he talked to Shane Holmgren and wondered if Bill Bigelow is doing any work on the project for Acme Water Company. General Manager Jorgensen explained they have made progress and she will ask Bill Bigelow to give a report in a future meeting. Board Member Forsgren stated he met with the Acme Board and left them an evaluation done by Hansen, Allen and Luce in 2003 evaluating the two Honeyville reservoirs.

Reese Jensen: No report

Dave Forsgren: reported Honeyville is proceeding with their water project. They are excited with the progress of laying pipeline. Board Member Holmgren commented that the walls are up on the new Corinne reservoir and the West Corinne Water Company is laying pipe. They have the Iowa String closed installing a 12” pipeline. Board Member Forsgren commented this is an optimal time for doing construction projects with lower costs.

Charles Holmgren: reported there is a Bear River Commission meeting next Tuesday and an extra committee meeting on Monday. The Canal Company is going through the budget process and struggling with the health insurance for the employees. They are looking at another assessment increase for the coming year. He reported that they have used 45,000 acre feet from Bear Lake which is minimal. He believes evaporation has taken more than they have.

Brent Rose: No report.

Clint Burt: reported they are working on the Rocky Mountain Power line and using a large amount of concrete. There was a discussion regarding some of the soil conditions and locations of the poles for a switching station.

General Manager Report – Voneene Jorgensen

General Manager Jorgensen requested the Board Members put the annual Christmas Dinner on their calendars for December 12th at 6:00 p.m. to be held at Maddox.

She then reported on information regarding the search for water in the South Willard area. The Division of Water Rights completed an adjudication that listed some disallowed water rights. She asked Hansen, Allen & Luce to do a short study to see if there are any extra water rights available in the South Willard area due to the adjudication and they found there may be. She has submitted a filing for 1500 acre feet or 5 cfs to the Utah Division of Water Rights. They will consider granting us a portion, declare the basin closed or approve the application. We were told it was closed previously before the adjudication. Right now, the District has enough water right for 3600 homes. Our master plan indicates 4500 to 8000 homes could be built in that area. Lance Nielsen is now writing up the report. He is also working on another filing in the Harper Ward Area. We will probably be making that filing before the end of the year. She feels the District should be building its portfolio. It is our mission statement and within our responsibility to develop water in places where we may be able to be of service. Our policy is to stay outside of municipalities. We will also be looking at buying any Canal Company shares that become available.

Financial Business – LaRall Thompson

Approval of Financial Statement

The financial statement ending October 31, 2009 was included with the packet mailed to the Board Members. Financial Chairman LaRall Thompson asked for any questions and called for a motion.

Vice Chairman Ross Rudd moved to approve the financial statement. Board Member Reese Jensen seconded the motion. Chairman Burt, Vice Chairman Rudd, Financial Chairman Thompson and Board Members Holmgren, Rose, Jensen, Baugh and Forsgren voted in favor of the motion.

Public Comment

There were no comments from the public.

Adjourn

Board Member Brent Baugh moved to adjourn the meeting. Board Member Reese Jensen seconded the motion. Chairman Burt, Vice Chairman Rudd, Financial Chairman Thompson and Board Members Holmgren, Rose, Jensen, Baugh and Forsgren voted approved the motion.

The meeting adjourned at 6:10 p.m.