

**Bear River Water Conservancy District
Board Meeting
Wednesday, December 14, 2011 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,
Charles Holmgren, Brent Baugh, Richard Day,
Brent Rose, Bruce Christensen and Commissioner LuAnn Adams

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

Visitors: Bill Bigelow of Hansen Allen and Luce

Excused: Financial Chairman LaRall Thompson and Board Members
Dave Forsgren and Stan Stokes

Invocation: Board Member Brent Rose

Adoption of the Agenda

Board Member Richard Day made a motion to go into a closed session for the unfinished business item regarding the South Willard water line. The motion was seconded by Board Member Bruce Christensen. Chairman Burt, Vice Chairman Rudd and Board Members Baugh, Holmgren, Day, Rose, and Christensen voted in favor of the motion.

A motion was made by Board Member Richard Day to approve the agenda as amended. The motion was seconded by Vice Chairman Ross Rudd. Chairman Burt, Vice Chairman Rudd and Board Members Baugh, Holmgren, Day, Rose, and Christensen voted in favor of the motion.

Approval of the Minutes for the Board Meeting held November 9, 2011

The minutes of the meeting held November 9, 2011 were included with the packet that was handed to the Board Members at the recent Christmas Dinner or mailed to those who were not in attendance at the dinner.

A motion was made by Board Member Charles Holmgren to approve the minutes as written for the meeting held November 9, 2011. The motion was seconded by Vice Chairman Ross Rudd, Chairman Burt, Vice Chairman Rudd and Board Members Baugh, Holmgren, Day, Rose, Christensen and voted in favor of the motion.

Public Hearing – BRWCD 2012 Budget

Chairman Burt called for a motion to leave the regular meeting and open the public hearing for the 2012 budget.

The motion to open the public hearing was made by Board Member Bruce Christensen and seconded by Vice Chairman Ross Rudd. A roll call vote was taken. Chairman Burt, Vice Chairman Rudd and Board Members Baugh, Holmgren, Day, Rose and Christensen approved the motion.

There were no public comments.

Board Member Bruce Christensen moved to close the public hearing and return to the regular meeting. The motion was seconded by Board Member Richard Day. A roll call vote was taken. Chairman Burt, Vice Chairman Rudd and Board Members Baugh, Holmgren, Day, Rose and Christensen approved the motion.

Adoption of the 2012 Budget

A copy of the approved tentative budget was provided for the Board Members at the meeting. General Manager Jorgensen explained the tentative budget was passed and approved in November according to the Utah Code. The budget shows the estimated income as \$645,000 from property taxes; \$199,275 from charges for services; \$26,752 from interest and miscellaneous; and rent and grant income in the amount of \$1,331,832. She has reviewed amounts from previous years to determine the estimate of property taxes. The expenses included wages, benefits, depreciation, debt service and operating costs. A balanced budget was shown with total revenue and expenses. The detail of the income and expenses was shown on the handout behind the summary page. She stated she has budgeted conservatively and no changes were made from the tentative budget. We may get some impact fees in the coming year from Beaver Dam and we know of two probable connections to be sold in Harper Ward. She has budgeted for a 3% cost of living increase for employees. Board Member Richard Day asked a question concerning the farm and renters in Bothwell. General Manager Jorgensen stated we are ahead of where they were last year. The power bill was less than previous years. She explained the amounts of power costs, well maintenance and rent that are due for the year. Randy Marble has pledged another payment before the end of the year and the property taxes have been paid.

A motion was made by Board Member Richard Day to approve the budget for 2012. The motion was seconded by Vice Chairman Ross Rudd. Chairman Burt, Vice Chairman Rudd and Board Members Baugh, Holmgren, Day, Rose and Christensen approved the motion.

Beaver Dam Water System Improvement Project Project Update – Bill Bigelow

A slide show of construction progress photos was presented and explained by System Operator, Bob Phippen. The slides showed the construction of the treatment building, finish of the storage tank and the laying of pipelines from the springs.

Commissioner LuAnn Adams arrived at the meeting from the County Commission Meeting during the slide show.

The springs have been lined with material to prevent groundwater contamination. The Board Members were shown a sample of the lining material and piping. Mr. Phippen explained the separate chlorine room of the treatment building with a window for him to monitor the equipment. The treatment building and storage tank are essentially complete. Photos showed the pipeline being laid and going under culverts. Mr. Phippen explained the welding process for the pipe every 40 feet to make a continuous line. After the slides, Mr. Phippen took questions from the Board about the project. The pipeline contractor, Clayton Grover will get the piping installed into the pump station and then stop work and wait until spring to do the pipeline along the highway. Bill Bigelow explained one-half of the budget for the project has been spent and all of the pipe has been purchased. He was impressed they have been able to work for two full months and got as much done as they have.

Board Member Richard Day was excused from the meeting at 7:40 p.m.

Trustee Reports

Ross Rudd: reported he did not have anything specific but he has been trying to stir up his friends in Beaver Dam to pay attention to what is going on. It is a real improvement and really necessary.

Brent Baugh: No report

Bruce Christensen: reported the public works director for Brigham City has changed. Tyler Pugsley is now the acting director and could ultimately be the permanent director. He stated his appreciation for being able to work with each of the board members and complimented them on the workings of the board.

Charles Holmgren: reported the Bear Lake level is 5919.08 feet. They are pulling it down. Every week without a snow storm, the Canal Board gets antsy. The lake is not frozen. The Canal Company is moving along and working on their service area change application to get the adjudication process started. At the Bear River Commission meeting, the state engineer from Idaho stated a lot of people on the Idaho side of the line don't want an adjudication because they think they

are over irrigating. There are people lobbying very hard to leave the Bear River alone and not examine it.

Brent Rose: No report

LuAnn Adams: reported she is pleased to have Dave Forsgren and Brent Baugh remain on the BRWCD Board and she expressed her appreciation to have worked with Bruce Christensen on this Board and others.

Bruce Christensen: added to his report that Brigham City was planning to build a large water storage facility near the Kotter Canyon development at a large expense to accommodate Procter & Gamble. The city was able to negotiate with the land owner for an easement for a secondary water line there alleviating the need to build the expensive reservoir.

Chairman Burt stated he received a letter of resignation from Bruce Christensen. He read the letter to the Board indicating his resignation will be effective as of December 31, 2011. His term as a Brigham City Council Member ends and he believes the Brigham City Mayor will recommend a current Council Member to fill his seat on the BRWCD Board. Chairman Burt expressed his appreciation for the service of Board Member Christensen and the contributions he has made to the Board.

Vice Chairman Ross Rudd moved to accept the resignation of Board Member Bruce Christensen. The motion was seconded by Board Member LuAnn Adams. Chairman Burt, Vice Chairman Rudd and Board Members Baugh, Holmgren, Rose, Adams and Christensen approved the motion.

The resignation of Bruce Christensen creates a mid-term vacancy on the Board and the vacancy will be filled in accordance with State Code. There will be an advertisement and the County Commission will appoint a Board Member to fill the remainder of the unexpired term.

General Manager's Report – Voneene Jorgensen

General Manager Jorgensen explained the cost projections in Beaver Dam are very close to available funds. She is hoping the construction will go smoothly without additional expenses.

She reported she received \$280,000 in property taxes for November and she is anxiously awaiting the amount from December that will be received in January.

A draft agreement has been prepared for the purchase of surplus water from Deweyville for the Collinston project. The draft was sent to Deweyville and they have returned it with some corrections.

She met with Matt Baxter who has purchased property in Bothwell just 1 ½ miles west of Dee Marble's house. He needs four acre feet of water for stock watering. The District is working on a water lease with him. He has paid a deposit of \$1,500.00 for a meter and will be taking water from our blow off to haul it to his cattle. We are working with the Division of Water Rights to get approval to lease water to him when he drills a well in the future. Dallin Jensen, our attorney, is working on a lease contract.

We received the contract from the Division of Water Resources for the cloud seeding program. It has been signed and returned. She has also sent the first invoice to them for their portion of the cost sharing.

We received another \$12,000 from our renter. He will get another check to us by the end of the year. He currently owes the District \$33,000 that includes the rent and power. She checked on the amount of the power bill and it was \$45,930 which is down from last year's bill of \$56,000. They have been conserving water and we have had a wet spring this year.

2012 Board Meeting and Holiday Schedules

The Board Member's packet included a copy of the Board Meeting Schedule for 2012. She asked the Board Members to review the schedule and requested a motion of approval so that it can be advertised.

Board Member LuAnn Adams moved to approve the board meeting schedule for 2012. The motion was seconded by Vice Chairman Ross Rudd. Chairman Burt, Vice Chairman Rudd and Board Members Baugh, Holmgren, Adams, Rose and Christensen approved the motion.

General Manager Jorgensen explained the official holiday schedule for 2012 that was included with the Board Member's packet and requested board approval to be closed on those days.

Board Member Bruce Christensen moved to approve the 2012 holidays as submitted. The motion was seconded by Board Member Charles Holmgren. Chairman Burt, Vice Chairman Rudd and Board Members Baugh, Holmgren, Adams, Rose and Christensen approved the motion.

Spring Conferences

General Manager Jorgensen reported the dates for the Board Members to add to their calendars. The Rural Water Association Conference is beginning February 27 and ending March 2, 2012. The Utah Water User's Workshop will be held March 12 to March 14, 2012. Both conferences are being held at the Dixie Center in St. George. Bruce Christensen was invited to join the board for dinner during the conference.

Personnel Issues

General Manager Jorgensen reported with the budget there is consideration with a cost of living adjustment for the employees. She has done some research into what other entities have given to their employees. The County approved an increase of 1.5%. Tremonton City gave their employees a 2% bonus in lieu of a COLA. Brigham City follows the CPI for increases which is 3.8% this year. Board Member Christensen stated Brigham City did not give a COLA for the last two years and gave 3.6% this year. The BRWCD staff did not receive an adjustment last year. The board discussed the information. General Manager stated the staff will appreciate any consideration.

Vice Chairman Ross Rudd moved to give the employees a 3% cost of living increase with an additional 5% increase for the general manager. There was no second.

He commended the General Manager for a fine job and stated her salary is behind other general managers. General Manager Jorgensen stated she received a 7% merit increase last January but had not had an increase since 2004. Vice Chairman Rudd explained the General Manager has had

considerable increase in responsibility and with her leadership and the job she is doing, we are way behind in her salary.

Board Member Christensen inquired if a salary study has been done. He felt you had to look at the total package. General Manager Jorgensen explained the health insurance plan has been decreased every year to keep the cost close to the same amount. She expressed appreciation for the good health insurance and retirement benefits.

Chairman Burt asked for another motion because there was no second. Vice Chairman Rudd stated this year has brought many accomplishments and we have challenging projects coming up, especially the one in Collinston. He felt it took considerable leadership and extra hours to get Beaver Dam going. Board Member Christensen asked whether there is an executive committee. Chairman Burt stated he along with Vice Chairman Rudd and Financial Chairman Thompson has served as the executive committee if needed but we don't officially have one. Board Member Christensen suggested having a committee to discuss these kinds of things and do a study of what other Districts are doing then present findings and recommendations to the Board. Chairman Burt stated his preference was to follow the County with a 1.5% increase or the 2% like Tremonton and then go ahead and get a committee. Board Member Rose stated he appreciated the good work but suggested going along with others in the area because we are an entity with government money that people are going to look at. Board Member Holmgren stated he would be more comfortable with 2% rather than 3% for the reasons discussed.

Vice Chairman Ross Rudd moved to approve a 2% cost of living increase with an additional 3% for the general manager. There was no second to the motion.

Board Member Bruce Christensen moved to approve the 2% raise as a COLA and look at Voneene's salary after the first of the year and have an executive committee do a study. The motion was seconded by Board Member Brent Baugh. Chairman Burt, Vice Chairman Rudd and Board Members Baugh, Holmgren, Adams, Rose and Christensen approved the motion.

Financial Business – LaRall Thompson Approval of Financial Statements

Financial Chairman Thompson was excused from the meeting. The financial statements were prepared and provided to the Board Members in the packet that was either mailed to them or distributed to them at the annual Christmas Dinner. The General Manager gave a review of the financial statements and asked for approval. Board Member Christensen would still like to see the income allocated over each month. The General Manager stated the format was set up by the accountant years ago but she will study changing it. The Board discussed how the statement could be changed.

Board Member Brent Baugh moved to approve the financial statements as presented. The motion was seconded by Vice Chairman Ross Rudd. Chairman Burt, Vice Chairman Rudd and Board Members Rose, Baugh, Holmgren, Christensen and Adams voted in favor of the motion.

**Unfinished Business – Chairman Clint Burt
South Willard Waterline**

The agenda was amended to add a closed session for this item to discuss the purchase, exchange, lease or sale of real property.

Board Member Charles Holmgren moved to close the meeting. The motion was seconded by Board Member Bruce Christensen. A roll call vote was taken. Chairman Burt, Vice Chairman Rudd and Board Members Baugh, Holmgren, Adams, Rose and Christensen approved the motion.

A motion was made by Board Member Charles Holmgren to open the meeting. Vice Chairman Ross Rudd seconded the motion. A roll call vote was taken. Chairman Burt, Vice Chairman Rudd and Board Members Baugh, Holmgren, Adams, Rose and Christensen approved the motion.

The Board discussed options regarding the acquisition of a water line in South Willard. Board Member Holmgren suggested getting a legal opinion of whether a board member should be required to recuse himself from any discussions on an issue due to a stated conflict of interest. General Manager Jorgensen informed the Board Members that prior to the board meeting, Board Member Day had requested all of the copies of the letter received from the South Willard Water Company regarding the counter proposal for the purchase of the water line as discussed in the closed meeting that were included with the packet be returned to the District.

A motion was made by Board Member LuAnn Adams to reject the proposal received from the South Willard Water Company and authorize General Manager Jorgensen to gather information relative to the service areas of the District and South Willard Water Company based on the water right place of use. The motion was seconded by Board Member Brent Baugh. Chairman Burt, Vice Chairman Rudd and Board Members Baugh, Holmgren, Adams, Rose and Christensen approved the motion.

Public Comment

There were no public comments.

Adjourn

A motion to adjourn the meeting was made by Vice Chairman Ross Rudd. The motion was seconded by Board Member Brent Baugh. Chairman Burt, Vice Chairman Rudd and Board Members Baugh, Holmgren, Rose, Christensen and Adams voted in favor of the motion.

The meeting adjourned at 9:10 p.m.