

The Quarterly Meeting of the Board of Trustees of the Carbon Water Conservancy District was held Tuesday July 18, 2023 in the Downstairs Conference Room at the Carbon County Administrative Building, 751 East 100 North, Price, UT 84501.

Present:

Jon Richens, Trustee, Chairman
Daniel Allen, Trustee, Vice Chairman
Keith Cox, Trustee, Treasurer
Christian Bryner, Attorney
Gordon Odendahl, Clerk
Russell Seeley, Trustee
Brad Timothy, Trustee

Also Present:

R.J. Davis, Dam Tender (Remote)
Derris Jones, Assistant Dam Tender
Doug Rasmussen, Finance Director
Janelle Jensen, Assistant Finance Director
Bryan Schmutz, USBR (Remote)
Shanny Wilson, Carbon County Economic Development & Tourism Director
Jade Powell, Deputy Director SEUALG/ Regional Economic Development Strategist SEUALG

1. Open Meeting and Introduction of Guests.

Chairman Richens opened the meeting at 3:01 PM and welcomed everyone in attendance.

2. Review and Possible Approval of Minutes from Annual Meeting on 4/18/2023.

Trustee Allen made a motion to approve the minutes as presented. Trustee Timothy seconded the motion, and the motion was approved unanimously.

3. Dam Tender's Report – RJ Davis.

Dam Tender RJ Davis was reporting remotely from the Dam because he was working with USBR personnel trying to fix the automation equipment. RJ reported that the elevation of the reservoir is 7,617.65 and there is currently 66,200 acre ft of water in the lake. This correlates to 101% of capacity. All repairs related to traffic accidents have been completed on the fencing, and the gates now seem to be working properly. 125 cfs of water is currently being released. Trustee Allen asked how much longer it is anticipated that the reservoir will be going over the spillway. RJ reported that tomorrow evening is probably when it will stop spilling based on current releases. Chairman Richens stated that the reservoir has been spilling continuously for approximately one month. Trustee Timothy noted that this is the first year since he has been involved with Carbon Canal that there has been 200% delivery through the 1st of July. Assistant Dam Tender Derris Jones reported that currently, 24 cfs is going over the spillway. Inflows are 33cfs from Mud Creek and 23 cfs from Fish Creek. White River is contributing 21 cfs to the Price River.

4. Public Comments on Matters Concerning Carbon Water Conservancy District

Note: Public Comments will be limited to 2 Minutes per Person. Public Comments or Requests from the Public may not be voted upon by the CWCD Board at this meeting because they are not listed as Agenda Items for the current meeting.

There were no public comments. Chairman Richens stated at this time he would like to deviate from the agenda in order to hear a presentation from Carbon County Department of Economic Development rather than making our guests wait through the meeting until we get to the "Other Business" agenda item. Economic Development and Tourism Director Shanny Wilson was introduced along with Jade Powell, Deputy Director SEUALG/ Regional Economic Development Strategist.

Chairman Richens noted that he had invited our guests to give a short presentation on current efforts and the status of Economic Development projects that are in the works. Shanny Wilson stated it is the goal of the County to develop Ridge Road as an Industrial Park. The purpose of this presentation is for information only in order to update our group on current developments and they are not asking for anything at this time. The presentation showed a map of the area near Wellington, as well as presented a discussion of current plans and the Vision that the county has for future development. Ms. Wilson stated she was happy to report that just last week the County was awarded funding for an Infrastructure request that had been previously requested through Congressman Curtis' office. The plan is to use this money to purchase land and water for the purpose of industrial development. There is a company from California that wants to relocate here and they want to purchase the aforementioned property along with possibly up to 500 water shares that could go with the property. Carbon County is trying to be proactive and be ready with available land and infrastructure so the interested businesses will be able to start a project with all the resources needed when it comes time to break ground and to start their respective projects. Ms. Wilson stated that there have been roadblocks in securing the utilities needed for development – Power, Water and Gas, but especially Gas service has been difficult to arrange. There are 4 companies who want to locate here, three of them are aggressively working on their planning and permitting processes. One of the Companies, Wellington Microteach, seems to have stalled and the project seems to be in limbo. Wellington City is in the process of foreclosing on the property due to inactivity and the company's failure to live up to obligations required in the mortgage agreement. They are hoping the land and other facilities may be made available to other companies showing serious interest in locating in Carbon County. Our area has some advantages for a business to locate here such as access to Rail Service on Ridge Road, as well as convenient access to Highway 6 and I-70. Jade Powell stated that the next step, should one of these companies plans come to fruition would be working through the Redevelopment Agency and setting up Interlocal Agreements for Tax Incentives. Ms. Wilson thanked the group for the invitation and stated that she hoped to be able to come back in the future when one or more of the projects is more definite. A copy of the PowerPoint presentation is attached to these minutes

5. Discuss and Possible Approval of Q2 2023 Financial Statement - Doug Rasmussen & Janelle Jensen.
Finance Director Doug Rasmussen presented the Financial Statements for consideration by the board. Mr. Rasmussen stated the Balance Sheet shows that Cash balances total about \$1,600,000 between the checking and savings accounts. Fixed Assets are \$2,321,000 which makes Total Assets \$4,150,000. Current Liabilities are \$45,000, Long Term Liabilities are \$146,000 and Total Liabilities are \$191,000. The Combined Profit and Loss Statement shows Net Income for the year at \$15,743. The P&L Statement by fund was reviewed including Capital Projects funds, Debt Service and the General Fund as well as a P&L Statement comparing Actual Balances to the Budget. Mr. Rasmussen stated the P&L Statement for the General Fund shows a YTD deficit of \$7,450 but he anticipates that the deficit will be made up in November and December which is when most of the Property Taxes for the year are collected. Trustee Cox asked Mr. Rasmussen if he had any concerns about the financial statements. Mr. Rasmussen stated that the financial statements are reviewed by 4 or 5 different sets of eyes - both by CWCD personnel and people in his office before everything is said and done and he is confident there are not any problems with the statements. Trustee Allen made a motion to approve the Financial Statements as presented. Trustee Cox seconded the motion, and the motion was approved unanimously.

6. Ratify Certified Tax Rate for 2023 Property Taxes.

Chairman Richens stated the next item was to Ratify the Certified Tax Rate for 2023/2034 Tax Season. Clerk Odendahl explained the Certified Tax Rate and where the information came from. The rates for the upcoming year must be accepted in June of the current year and a resolution must be adopted accepting the Certified Rate. The Certified Tax rate that was accepted corresponds nicely with the 2023 budgeted revenues. Trustee Cox made a motion to ratify the Certified Tax Rate and approve the resolution. Trustee Timothy seconded the motion, and the motion was approved unanimously.

7. Presentation and Approval of the Finalized “Agreed Upon Procedures” Report – Doug Rasmussen & Janelle Jensen.

Finance Director Doug Rasmussen presented the “Agreed Upon Procedures” report for 2022 prepared by Keddington and Christensen. Mr. Rasmussen noted that were “No Exceptions” to any of the items and records required by the State Auditors Office to be examined during the process. No exceptions means there were no problems with the records that were kept and procedures that are required to be followed. Mr. Rasmussen complimented the Board and Officers on the report. Clerk Odendahl also complimented Mr. Rasmussen and Ms. Jensen from Smuin Rich & Marsing as well as Mr. Bryner for their guidance and advice over the past years to help keep us in line. Trustee Allen made a motion to approve the Agreed Upon Procedures report. Trustee Timothy seconded the motion, and the motion was approved unanimously.

8. Discuss and Possibly Adopt a GRAMA Fee Structure – Gordon Odendahl, Clerk

Clerk Odendahl told the group that even though there were no exceptions on the Agreed Upon Procedures Report, he had asked the auditors if there was anything they thought we could do better or something we should be doing that we are not doing. The one thing suggested by the auditors was that we adopt a Fee Structure for GRAMA requests. Even though we have not had many requests for GRAMA they felt we should have a policy in place if we do have GRAMA Requests at some point in the future. Clerk Odendahl had given Attorney Bryner a proposed resolution for consideration. Mr. Bryner suggested some modifications based on his experience working with problems related to GRAMA Requests with other groups he has been involved with. Chairman Richens suggested we table this item until our next meeting allowing Mr. Bryner and others to develop a policy that will enable us to be fair to those who might request information from us as well as being fair to the District. Trustee Allen made a motion to table the GRAMA Fee Structure Policy until a later date. Trustee Cox seconded the motion, and the motion was approved unanimously.

9. Discuss Fraud & Risk Assessment for 2023.

Finance Director Rasmussen presented a Fraud & Risk Assessment based on last year’s answers. Mr. Rasmussen noted that some insurance companies have been using scores from the Fraud & Risk Assessment to help determine insurance rates, although the Fraud & Risk Assessment was not intended for this purpose. Our answers were good and the score of 320 puts us in the Low Risk category, but he has seen with other organizations where insurance companies are now requiring a higher score on the Fraud Risk Assessment in order to get the best possible insurance rates. Clerk Odendahl stated that Utah Local Governments Trust threw us all a curve ball this year and was not going to renew policies unless the score was 354 or more. However there were many small organizations like ours that did not meet these score requirements so they agreed to renew our

policy this year with the understanding we will work towards increasing the score for next year. A discussion ensued and it was decided that before the end of the year we will explore some alternatives to help increase the score on our Fraud Risk Assessment for 2023. Some things to consider are implementing a policy to establish an Audit Committee, set up a Fraud Hot Line or even establish a Credit/Purchase Card policy even though we do not use Purchase Cards or have a Credit Card account for the District.

10. Report on Ongoing Business Matters or any New Business

a. 2023 Water Share Lease Program

Clerk Odendahl reported that this year we were not able to lease all of our water shares this year. This year we were only able to lease 529 Scofield Reservoir shares which left 148 shares that we were not able to lease out. Because of the uncertainty with developments from last year where the County was asking us to sell water shares to the County for Economic Development purposes several of the entities and people who had previously leased shares from us had gone out and secured water shares from other sources. Trustee Timothy thought we would be able to again lease all of our shares in the future and he felt some of this was a temporary situation due to the record snowfall last winter and the high runoff this Spring. We are still following the 1, 2 and 3 year revolving right of first refusal policy that was put in place earlier this year. All of the unleased water shares for this year were in the 1 year category so next year these same shares would be in the 3 year right of first refusal category which might be an incentive for people to lease these shares next year.

b. Crashes at Scofield Dam

Chairman Richens stated there have been 5 crashes on the dam just since last fall. Chairman Richens stated that the USBR has said they intend to have some discussions with UDOT to maybe add some more signage in the vicinity of the dam. USBR liaison officer Bryan Schmutz stated that he thought some warning signs near the dam with flashing lights telling drivers to "Slow Down" similar to what you see on the Highway 6 Exit at Spanish Fork would be a good idea since the curves are actually 15 mph turns. Mr. Schmutz said he would get with RJ and see if they could help to coordinate a meeting with UDOT and USBR and CWCD. Trustee Seeley stated that possibly some "Rumble Strips" ground out of the roadway in addition to flashing lights would also help.

c. Small Regulating Gate Project

Chairman Richens updated the group on the completion of Trout Unlimited's Small Regulating Gate Project. The fine tuning of the gate and adjustments are complete and the gate is now working properly. The contractor has come back in and has done a better job of cleaning up after the completion of the job. While the outlet workings were drained and accessible, we were able to fix some issues with our gate as well, like replace a missing nut on an anchor bolt and remove some obstructions that were impeding the movement of the gate and it is working great now. We have recommended a change to the SOP requiring a Dam Tender to be on-site in person if the gate is ever fully closed just to make sure that the power doesn't trip due to an obstruction that could keep the gate from fully closing and tripping the motor out. Chairman Richens stated we are still waiting for Johansen & Tuttle to develop a design so we know how far the gate is open and to develop a flow chart and hydraulic curves based on the various open positions of the Small Regulating Gate, lake elevation and head pressure so we

will know how much water is being let out. These last 2 items will not be able to be completed until after the irrigation season is over for the year.

d. Price River Water Resources Committee

Trustee Seeley reported that there is currently no movement on the Price River Water Committee due to contract negotiations with NRCS to extend the contract with Horrocks for additional work because everything is just taking so long with the studies.

e. Reclamation Annual Site Inspection

Chairman Richens stated that most of this has been reviewed in past meetings and information was sent out to the trustees showing what has been done, but the following items are still listed as action items or have recently been completed. Items still to be addressed are the Warning Signs which James Sheridan with USBR is working on. Another issue which RJ brought up concerns hikers and fisherman on the river below the dam. Even though people are not trespassing on USBR property and they are not breaking any rules, people fishing below the dam could be subjected to sudden increases in the water level and water flow if the discharge were to suddenly increase from 10 cfs to 100 cfs (as an example). This could result in a dangerous situation if the fishermen were not aware of the change in water flow. It could also possible strand someone on the other side of the river if the river level were to rise enough that they couldn't get back across. So it has been suggested that we put up some warning signs notifying the public that there is an automated gate in the dam and sudden increases in the level and flow of the river could occur. James Sheridan is also looking into signs for this purpose. Chairman Richens brought up the recent Gate Inspections. It was determined that the Safety Gate is good, but the Regulating Gate is showing significant wear and will need to be replaced in the near future. We are supposed to be getting a quote from the Denver Group at USBR which is TSC (Technical Services Group) to design a new gate. After some discussions, it was determined that the best course of action would be for us to take advantage of the USBR's expertise and recent experience designing gates that were similar to our gate. Chairman Richens stated that James has also sent him contact information about a nearby reservoir that has installed downstream weirs where they are able to measure outflow directly below the dam with possibly more accurate readings. He stated there were pros and cons with this system but we will be looking into this. James is also getting information for us so we can consider installing a Bubbler at or near the grate to help prevent ice from forming around the grate at the intake structure to help prevent damage to the concrete intake structure and/or grate when the reservoir level is extremely low. This Bubbler System would replace the "Heat Tape" that was used in the past on the outlet structure but has since been abandoned. Another Action Item on the list concerns the Gate Inspection by Randy Green. Mr. Green recommended that when we do replace the gate that we replace the Stem and Stem Guides. Mr. Green also suggested that we upgrade the actuators when the gate is replaced. Ours are very old and take up a lot of space. New actuators would give us a lot more room inside the Gate House as well as modernize the apparatus. Chairman Richens stated the Generator has been relocated and there is now a copy of the updated SOP in the Gate House. We tried to repair the ladder as suggested but the repairs by the contractor did not give satisfactory results so we still need to get in there and do a good job of cleaning and re-coating the ladder. The survey markers below the dam have now been uncovered and caps put on them to prevent them from getting covered up again. All locks have been replaced and new

keys have been stamped and issued to the appropriate people. A listing of who has keys to the locks is now on record. We still need to remove debris that has accumulated around the dam intake grates. Previously the BOR divers tried to inspect, but there was too much debris. Now the level of the lake is too high for an inspection so this will have to wait for a later date when the lake is lower.

f. Security System Project (Reclamation)

USSR Liaison Bryan Schmutz informed the group that the equipment for the Security System is in the hands of USBR Purchasing and there is currently not a definite delivery time, but it is in the works. Chairman Richens stated that we recently participated in a virtual meeting with several USBR people and they were working on determining the best camera locations using a 3-D model as well as using the model for other security features.

g. Bathymetry Study for Scofield Reservoir (Reclamation)

Bryan Schmutz relayed correspondence from Chris Garcia at USBR stating the study is complete, but they are still trying to compile the results of the study and hopefully they will be able to report some results to us within a couple of months.

h. Price River Distribution System Gate Automation Project

There is nothing to report at this time.

I. Ongoing Repairs from Previous Inspections

This item was already covered during the discussion of Items c. and e. above.

j. Potential Project(s)

- Instream Flow Measurement

Chairman Richens thanked Trustee Seeley for his work on preparing a Draft RFP for the Engineering work for downstream Wiers for flow measurement which would be located either below Scofield Dam or an alternate location near the Carbon Country Club Golf Course. Chairman Richens stated he would rather wait to request proposals for the engineering services until we can get more information from Colorado River Water Authority or some kind of formal report.

- Regulating gate repair/replacement

Already discussed.

k. Any other ongoing or new items of business to discuss

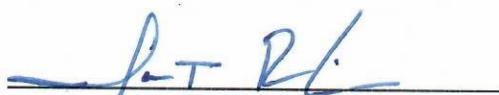
Clerk Odendahl asked if we had any information concerning the status of the work that was completed last fall by Trout Unlimited on the Streambed Restoration and Man Made Beaver Dam project in Mud Creek and how the work survived the heavy Winter snowfall and Spring runoff. Chairman Richens stated there was very little damage but what was damaged will be repaired this Summer or Fall. Chairman Richens also stated that Jordan Nielson from Trout Unlimited has been extremely busy which has necessitated the hiring of another person so we could be working for the most part with someone other than Jordan in the future. Chairman Richens informed the group that there is another riser pipe on the Jensen Property that is broken and we probably need to propose some type of an agreement with the Jensen family in the future that would address these maintenance issues that come up occasionally and who should be responsible for what. The possibility of more lighting around and across the dam was discussed concerning safety and security. Trustee Seeley addressed the communications Chairman Richens had shared with the Board earlier in the year where there were individuals asking about and making suggestions as to how the Spring runoff should be handled, as well as

how the level of the reservoir and water releases were controlled and regulated to best prevent flooding and ensure we would maximize storage without having uncontrollable releases going over the spillway. Mr. Seeley also stated that he felt Chairman Richens handled these individuals' questions and comments in a very professional manner and on a personal level Mr. Seeley stated that he thought everyone involved from the River Commissioner and Dam Tenders to the Chairman as well as personnel from the Bureau of Reclamation did an excellent job. Mr. Seeley said he felt that the decision making process was solid and he thought the record Spring Runoff was handled as well as it could possibly have been. Mr. Seeley complimented everyone that was involved. Chairman Richens stated that in discussions with USBR people he learned that there is a Public Relations person at the Bureau who could help us in the future in responding to individuals who might have a different opinion as to how things should be done. Chairman Richens also stated that he would try to do a better job of communicating with the various canal companies and the Water Users Association in the future. Bryan Schmutz stated that "all" of the reservoirs in the state were dumping water prior to the runoff in an effort to be able to control the anticipated runoff – and just like us, some of the water users in other districts were unhappy with the various conservancy districts for releasing water so early in the year but in the end, things worked out very well. Clerk Odendahl asked about the condition of the spillway after a month of having water running down the spillway. Chairman Richens stated that RJ informed him that we have 4 new rooster tails that have developed which we will need to address with the Bureau later in the year when the spillway is dry. Chairman Richens reported that Skyline Mine is pumping mine water into Electric Lake on the Emery County side of the mountain with very little water being pumped into Winter Quarters Creek on our side. Also there are wells on the Emery County drainage that are supplying water from the mine into Electric Lake and streams in Emery County.

10. Adjourn Meeting.

There were no further questions or topics for discussion. Trustee Timothy made a motion to adjourn the meeting. Trustee Cox seconded the motion, and the motion was approved unanimously.

Chairman Richens thanked everyone for their attendance, especially since the meeting had lasted nearly 2 hours. Chairman Richens adjourned the meeting at 4:43 PM.


Chairman
Vice Chairman