

The Quarterly Meeting of the Board of Trustees of the Carbon Water Conservancy District was held Tuesday October 17, 2023 in the Downstairs Conference Room at the Carbon County Administrative Building, 751 East 100 North, Price, UT 84501.

Present:

Jon Richens, Trustee, Chairman
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
Garrett Cammans, North American Weather
Consultants (Remote)

Excused:

Daniel Allen, Trustee, Vice Chairman
Keith Cox, Trustee, Treasurer

1. Open Meeting and Introduction of Guests.

Chairman Richens opened the meeting at 3:03 PM and welcomed everyone in attendance.

2. Review and Possible Approval of Minutes from Quarterly Meeting on 7/18/2023.

Trustee Seeley 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 reported on current conditions at the dam. Elevation of the Reservoir is 7,612.62 which correlates to 52,499.6 acre ft. of stored water. The reservoir is at 71% of usable capacity which is a lot of water for this time of year. Mr. Davis stated these measurements may be a little bit off because there have been a few problems with the new level transducer. This will be corrected when the BOR updates some additional electronic components in the near future. Current releases are 50 CFS but this will be reduced significantly as North Carbon will be shut off today. Trustee Timothy stated that Carbon Canal will be shutting off for a construction project between the 15th and the 30th of this month. Wellington is scheduled to shut off this coming Friday. Mr. Davis said that if we have another good winter this year, we will need to start releasing water much sooner than last year to make room for the spring runoff. Spray-Wise is on location now spraying the vegetation on and around Scofield Dam. There were additional areas that needed spraying this year and Spray-Wise just informed RJ that they will need to take up another half load in order to finish all the areas they were asked to spray. We had our Annual Review with the BOR recently but we have not received the report back on the results of the review. The installation of the Security System is underway. Chairman Richens stated that Brian Schmutz will report on the progress later in the meeting. There were no questions about the Dam Tender's Report.

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.

11. Discuss Continued Participation and Costs of Cloud Seeding Program.

Chairman Richens asked if anyone would mind if we discussed Agenda Item 11 at this time to allow Garrett Cammans to present his discussion about what happened with the Cloud Seeding Program during the past year and save Garrett some time without waiting through the end of the meeting. There were no objections. Mr. Cammans stated that last year was a very productive year Statewide for precipitation. There was a DNR Symposium on Cloud Seeding in early October which is probably going to become an annual event. Presentations were made by several researchers from across the country as well as North American Weather Consultants and the National Commission on Atmospheric Research. It was stated that although there were concerns about flooding this past year, the State pushed the group to continue with the cloud seeding efforts and agreed to assume all liabilities for flooding in an effort to keep the current Cloud Seeding Program going as long as possible due to the dire conditions across the state. Only a few stations in Salt Lake County and in Southern Utah near the Virgin River were temporarily suspended. Mr. Cammans stated that the State Legislature appropriated an additional investment by 10 X to increase cloud seeding efforts. There will be 120 Remotely Operated Generators installed across the state in areas that are only accessible by snowmobile in an effort to increase snowpack. These remote stations will be 4 times more effective than most stations due to the locations and are in addition to existing stations. The remote stations directly affecting our area will be located in Provo Canyon and Spanish Fork Canyon which will be beneficial to Scofield and a new location in Emma Park will be beneficial to the Bookcliff Mountain Range and East Carbon areas depending on the wind direction. Mr. Cammans stated that based on historical figures over the last 40 years in our area, in the locations where cloud seeding has occurred there has been a 5% increase in snowpack over non-seeded areas resulting in an additional 1.2 inches of water content annually in Central and Southern Utah. The costs for this additional water have averaged between \$8.00 and \$12.00 per acre ft., which is a very cost effective way of augmenting water. Chairman Richens stated that the cost to continue our participation in the Cloud Seeding Program for the next year would be \$13,631.00. Trustee Timothy made a motion to continue our participation. Trustee Seeley seconded the motion. The motion was passed unanimously. Chairman Richens announced that we would now continue back to the scheduled Agenda items.

5. Discuss and Possible Approval of Q3 2023 Financial Statement - Doug Rasmussen & Janelle Jensen.

Finance Director Doug Rasmussen presented the Financial Statements as of September 30, 2023 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. Current Assets are \$1,784,000, Fixed Assets are \$2,362,000 which makes Total Assets \$4,146,000. Current Liabilities are \$40,000, Long Term Liabilities are \$146,000 and Total Liabilities are \$186,000. The Combined Profit and Loss Statement shows Net Income for the year at \$26,000. 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. The only income in the Capital Projects Funds to date is Interest Income. Mr. Rasmussen stated the P&L Statement for the General Fund shows a YTD deficit of \$12,569 but he anticipates that the deficit will be made up in December which is when most of the Property Taxes for the year are paid. There was a recent deposit of Property Tax Funds of \$21,000 which is not included in these statements. Mr. Rasmussen stated that the current interest rates we are earning in the PTIF Funds are very favorable as compared to past years. There were no questions

about the Financial Statements. Trustee Seeley made a motion to accept the 3rd Quarter Financial Statements as presented. Trustee Timothy seconded the motion. The motion was passed unanimously.

6. Review and Discuss Current 2023 Budget – Doug Rasmussen & Janelle Jensen.

Finance Director Doug Rasmussen reviewed the 2023 Budget. Mr. Rasmussen stated that we are operating within the budget for this year and he does not anticipate that we need to change any of the budgeted income or expenses. He stated the only issue he could foresee is that for the General Fund we could be close to the maximum allowed balance by the State Auditor's Office by the year's end. There is a Fund Balance Limitation for the General Fund that we are subject to abide by, which is 100% of the Current Year's Budget plus the Current Year's Property Taxes. Mr. Rasmussen stated that the Current Balance in the PTIF General Fund Account is \$526,000.00. Our Current Budget is \$362,400.00 and estimated Property Taxes are \$271,000.00, which when totaled together is \$633,500.00. Assuming we have a net profit similar to last year, we will be very close to the allowed limitation. He suggested we increase our transfer to the Capital Projects Fund from the current budgeted amount of \$150,000 by \$50,000.00 or \$100,000.00. Mr. Rasmussen emphasized that this is not just moving money around, as we do have future projects planned where these funds will be needed. We will not need a motion in this meeting for this change, but if we do decide to transfer the additional funds, we will need to make this an item on the agenda for the next meeting and we will need to have an additional public hearing to Amend the 2023 Budget for our meeting in December.

7. Review, Discuss and Possibly Approve Tentative 2024 Budget – Doug Rasmussen & Janelle Jensen.

Finance Director Doug Rasmussen reviewed the Tentative Budget for 2024. The Capital Projects Budgeted Expenses include \$75,000 for Engineering/Design Costs of the Gate Replacement and \$80,000 for Purchase of a new Gate and a new Actuator for the Gate. Revenues for both Capital Budgets include Interest Income and an anticipated transfer of \$150,000 from the General fund. The Debt Service Fund remains the same as previous years with the same annual payment amount to the BOR. For the General Fund, Mr. Rasmussen stated Total Expenses are estimated at \$382,000 which is an increase of approximately \$20,000 from last year to cover the increase in Payroll Costs, Anticipated Repair Costs and the added costs resulting from Inflation. Chairman Richens asked that the Cloud Seeding Cost Sharing Revenue be eliminated because we do not anticipate participation from other entities in the cloud seeding program. Cloud Seeding Expense should be adjusted from \$20,000 to \$15,000 to more accurately reflect actual costs. Legal fees have increased for anticipated expenses with the Ongoing Sanpete County/PRWUA legal proceeding. Maintenance costs have been increased to cover anticipated repairs to the Spillway and other repairs. Trustee Seeley made a motion to tentatively approve the Tentative Budget with the discussed changes included. Trustee Timothy seconded the motion and the motion was approved unanimously.

8. Discuss and Possible Approval of Forming an Audit Committee.

Chairman Richens Stated that at our last meeting when discussing the Fraud Risk Assessment we determined that forming an Audit Committee would be a good idea in general but would also allow us to improve our score on the Fraud Risk Assessment. Finance Director Doug Rasmussen explained the duties of the Finance Committee. Duties of the Audit Committee are listed on the State Auditor's website and a copy of the duties is attached to these minutes. A brief discussion ensued concerning the duties of the committee. The committee would be involved in the Audit Process before during

and after the Audit Report and would resolve any questions before the Audit Report is presented to the Board for approval. Typically the committee members would need to meet two times per year during the Audit Process. Chairman Richens appointed Trustee Russell Seeley, Finance Director Doug Rasmussen and Clerk Gordon Odendahl to the Audit Committee as discussed previously. All three members agreed to accept the appointments. Trustee Timothy made a motion to form an Audit Committee and to formally Appoint Trustee Seeley, Clerk Odendahl and Finance Director Rasmussen to the Audit Committee. Trustee Seeley seconded the motion and the motion was passed unanimously.

9. Discuss and Possible Approval of Implementing a Fraud Hotline.

Clerk Odendahl Stated that he had been in contact with the Utah Counties Indemnity Pool which is an insurance entity similar to Utah Local Government's Trust. They have an agreement with Lighthouse Services which operates a Fraud Hotline Service and they could add our group to the service for \$10.00 per year. Clerk Odendahl added that this is the same service that Carbon County is using for their Fraud Hotline. Most entities would post a message on their website notifying the public of how to report suspected fraud or embezzlement. Clerk Odendahl stated since we do not have a website, we would need to notify the public of this Hotline, but we could accomplish this by adding a short notice to our Meeting Agendas and Legal Notices of how to report any suspected cases of fraud. Again, as discussed in our previous meeting this is another process we could implement that would help us raise our score on the Fraud Risk Assessment that we have to report to the State. Trustee Seeley asked about the time required to get the service started. Clerk Odendahl replied that all it would take is telling UCIO yes and to send a check for the service. Trustee Seeley made a motion to implement the Fraud Hotline and Trustee Timothy seconded the motion and the motion was passed unanimously.

10. Discuss and Possible Approval of Fraud Risk Assessment.

Finance Director Doug Rasmussen continued the discussion of the Fraud Risk Assessment which was tabled at our last Quarterly Meeting. Mr. Rasmussen stated that by being able to answer "Yes" to the Audit Committee and "Fraud Hotline" questions would increase our score to 360 points which places us in the "Very Low" Risk Level Category. Chairman Richens asked when the Assessment needs to be turned in. Mr. Rasmussen replied that we have until the end of the year to submit the form to the State Auditors Office. Mr. Rasmussen replied that we could approve the Fraud Risk Assessment with items 7 and 9 included as yes answers. Chairman Richens replied he would sign the form once the Fraud Hotline implementation is effective and then we could get the Report submitted. Trustee Seeley made a motion to approve the Fraud Risk Assessment with items 7 and 9 included as "Yes" answers. Trustee Timothy seconded the motion and the motion was passed unanimously.

11. Discuss Continued Participation and Costs of Cloud Seeding Program.

This item was discussed previously in the current meeting.

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

Attorney Christian Bryner led the discussion about the policy for GRAMA Fees. Mr. Bryner stated that based on our discussion from our last meeting he had developed a much more detailed policy than the simpler policy that was initially proposed by Clerk Odendahl. Mr. Bryner then stated that he then changed his mind and thought that a simpler policy would be better. A discussion was held where all

of the types of documents that could be requested would be named and should be included in a simpler policy. The policy also needs to allow for reimbursement of costs involved in the process of mailing, copying and/or digitizing the documents in addition to the time involved for research. Chairman Richens asked if we could again delay adopting this policy until January and allow Mr. Bryner to revise the policy to include actual costs of materials, etc. It was agreed that this subject would again be put on the Agenda for our Quarterly Meeting in January 2024.

13. Discussion and Possible Approval of Resolution to add Current Board Members to Bank Signature Cards.

Attorney Christian Bryner suggested we update these signature cards annually just as we do the conflict of interest form each year in order to keep up to date with any changes concerning current Board Members. The title of each person should be included in the resolution also. Finance Director Rasmussen stated that banks have become very particular with signature cards recently and if any changes are made, all persons on the signature card must sign again. Mr. Rasmussen stated that in addition to the resolution, the names and titles must be included in the minutes of the meeting where the resolution was adopted. Trustee Timothy made a motion to adopt Resolution 2023-01 to Add Board Members to Bank Signature Cards. Signers are to be Daniel Allen - Vice Chairman, Jon Richens - Chairman, Gordon Odendahl – Clerk and Keith Cox - Treasurer. Trustee Seeley seconded the motion and the motion was passed unanimously.

14. Report on Ongoing Business Matters or any New Business.

a. Security System Project Update (Reclamation).

USBR LIASON Officer Bryan Schmutz Reported there is nothing new to report on this project.

b. Bathymetry Study for Scofield Reservoir Update (Reclamation).

Mr. Schmutz reported there is now a schedule for completing the report on this study. There was an email sent out estimating the report to be completed in January 2024 sometime. Mr. Schmutz also mentioned this schedule could change if USBR personnel should get shifted to other high priority projects.

c. Upcoming Dam EAP Exercise.

Chairman Richens announced that there will be an EAP Exercise conducted by the USBR on Friday December 8, 2029 located at the Carbon County Ambulance Garage from 9:00 AM to 12:30 PM. This is an exercise conducted by the Bureau with State and Local government Emergency Response and Law Enforcement officials. The exercise is designed to help everyone know what happens should there ever be an emergency involving Scofield Dam or the water flowing out of the dam. This would help everyone know what resources are available to help coordinate efforts to keep the public safe and hopefully minimize property damage in case of emergencies. Mr. Schmutz noted that he would ask for Utah State Parks and the Highway Patrol to also be invited to the meeting.

d. Price River Water Resource Committee Update.

Trustee Seeley reported that the process is still progressing. The original plan was for a lower elevation reservoir. There was a meeting held just the other day. Items that were discussed in the meetings were the EPA's concerns about drying up the Price River between Helper and

the Golf Course. The idea was put forth to pipe the canals to prevent loss from seepage and evaporation which can result in a loss of 30% to 50% of the water. The project has now been expanded to include piping the canals and hopefully the saved water could be put back in the river. The cost of these projects is now estimated to be \$100 million for the reservoir and \$100 million to pipe the two canals, The NRCS would commit additional funds and would pay 75% of the costs. That still leaves \$50 million that would have to be paid by the local entities involved which is still a significant amount of money. Mr. Seeley stated there are still complications to be considered because the canals currently play an important part in flood control for the County and all of the local cities. The EPA also has concerns about some species of flowers that are threatened. The EIS is moving forward with Horrocks working on the impacts of piping of the canals. A public meeting is being scheduled soon.

e. Potential Capital Project(s).

i. Instream flow measurement.

Chairman Richens stated we are considering projects to place instream measuring devices at two locations. One would be located downstream from Scofield Dam and another located by the Golf Course. Trustee Seeley has helped to prepare an RFP but the process is stalled until some reports are completed by some of the other agencies that may be involved.

ii. Regulating Gate Replacement.

Chairman Richens mentioned this was brought up earlier when we discussed the budget. It is believed that we would be better off to let the USBR do the engineering on this project since they have recent experience and an outside engineering firm would probably cost about the same but would be lacking the experience. Also we would have the full resources of the USBR available to us throughout the project. We would enter into a contract with the USBR for a maximum fixed cost estimate but in the end our engineering costs could be adjusted based on the Bureau's actual time spent and a refund of the unused funds would be likely. We have requested a bid from a fabricating company who recently supplied a similar gate at another USBR Dam. We felt that having the Bureau's engineers do the engineering work would be the best course of action.

f. Other Ongoing Business Matters or any New Business.

USBR Liaison Officer Bryan Schmutz mentioned Rumble Strips and/or Lighted Warning Signs near Scofield Dam to help prevent accidents on the Dam. Mr. Schmutz also mentioned the USBR Recreational Planners from the Provo Office would like to start holding semi-annual meetings with State Parks Managers. Reclamation asked if Carbon Water Conservancy District would also like to participate in these meetings when they are held. Mr. Schmutz asked about a meeting with USBR, Utah State Water Rights and local agencies that is upcoming, Chairman Richens stated the meeting is scheduled for November 1st and he would find out more information about the meeting and forward the information to Mr. Schmutz. Clerk Gordon Odendahl informed the group that we have been reimbursed by the insurance company for the accident that occurred on the North side of the dam for \$3,000. The claim for the accident on the South side of the Dam is still being processed but we will eventually be reimbursed for those costs also. That claim is for \$13,000. Announcements were made concerning a presentation by University of Utah Law School on the Colorado


River on October 19th and also a Defensive Driving Course will be sponsored by Utah Local Governments Trust on Nov 1st at the Carbon County Event Center. Anyone affiliated with CWCD and their family members are welcome to attend the course should you want to attend.

15. Open & Public Meeting Act Annual Training – Christian Bryner.

Attorney Christian Bryner presented a special Open & Public Meeting Training Course that he had prepared specifically to meet the needs of our District. Those who remained in attendance for the training were: Christian Bryner, Attorney (Presenter) – Jon Richens, Chairman - Janelle Jensen, Assistant Finance Director – Doug Rasmussen, Finance Director – Brad Timothy, Trustee – Russell Seeley, Trustee – Gordon Odendahl, Clerk. A copy of the Training Course Outline and Subject Matter is attached to these minutes. Clerk Odendahl mentioned that we will need separate training certificates from Daniel Allen and Keith Cox who were both unable to attend today's meeting. Also noted was that our GRAMA Training has been completed for this year.

16. Adjourn Meeting.

Chairman Richens asked if there was any further business to discuss. There was no further business. Trustee Timothy made a motion to adjourn the meeting. Trustee Seeley seconded the motion and the motion was passed unanimously. Chairman Richens declared the meeting closed at 4:59 PM.



Chairman



Treasurer