

**Utah Board of Water Resources
Board Meeting
June 20, 2024
1:00 PM
Department of Natural Resources
1594 W. North Temple
Salt Lake City, UT 84114**

CHAIR JULIETTE TENNERT called the meeting to order at 1:04 PM and introduced herself. Board members present and online did the same.

Guests present were announced when their project was presented to the Board.

APPROVAL OF MINUTES:

CHARLES HOLMGREN moved to approve the meeting minutes from May 9, 2024. SPENCER JONES seconded the motion. All voted in favor and the motion passed.

<u>Project #</u>	<u>Applicant</u>	<u>County</u>	<u>Project Manager</u>
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FEASIBILITY REPORTS:

RE481	Peterson Pipeline Association	Morgan	Brad Caldwell
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BRAD CALDWELL presented the report. BEN SESSIONS mentioned that they've needed a second well for over 20 years, and appreciates the Board's support. KYLE STEPHENS moved the Board authorize 85% of the project cost, up to \$882,000, and that the project be purchased at 0% interest over 25 years with annual payments of approximately \$35,300. MIKE DAVIS seconded the motion. All voted in favor and the motion passed.

RE483	Davis & Weber Counties Canal Company	Davis	Ben Marett
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BEN MARETT presented the report. RICK SMITH (General Manager) answered questions from the briefing meeting and explained the project and land swap in more depth. He has final documents and next month expects to sign a MOU with MIDA to pay 50% of the total cost.

KYLE STEPHENS moved the Board authorize 42.5% of the project cost, up to \$3,200,000, and that the project be purchased at 1.95% interest over 30 years with annual payments of approximately \$141,900. MIKE DAVIS Seconded the motion. All voted in favor and the motion passed.

COMMITTAL OF FUNDS:

RM056 Centerville Deuel Creek Irrigation Co. (Meter Loan) Davis Ben Marett

BEN MARETT presented the report. KYLE STEPHENS moved the Board commit 25.5% of the project cost, up to \$2,199,000, and that the project be purchased at 1% interest over 15 years, with annual payments of approximately \$158,600. RANDY CROZIER seconded the motion. All voted in favor and the motion passed.

RE480 West Cache Irrigation Company Cache Ethan Stayner

ETHAN STAYNER presented the report. DALE BUXTON (Secretary) stated they've been able to complete the cleaning of the canal and reconstruct the road and the bank beside it, and they appreciate the Board's support. CHARLES HOLMGREN moved the Board commit 85% of the project cost, up to \$425,000, and that the project be purchased at 0% interest over 20 years, with annual payments of approximately \$21,300. KYLE STEPHENS seconded the motion. All voted in favor and the motion passed.

RM115 Davis & Weber Counties Canal Company (Meter Loan) Davis Tom Cox

TOM COX presented the report. RICK SMITH (General Manager) answered questions about secondary meters. In the beginning there were 13,000 that needed to be metered. They have roughly 17,000 total connections and the first 4,000 were metered because of either development and/or previous projects. Since October of 2022 they've installed roughly 3,700 meters and spent over \$9,000,000. KYLE STEPHENS recused himself because he lives in the project area. The Board expressed appreciation for the company's work and discussed meter availability.

MIKE DAVIS moved the Board commit 25.5% of the project cost, up to \$1,869,000, and that the project be purchased at 1% interest over 15 years, with annual payments of approximately \$134,800. BRIAN STEED seconded the motion. All voted in favor and the motion passed.

RM092 Monroe City (Meter Loan) Sevier Brad Caldwell

BRAD CALDWELL presented the report. BLAINE IPSON moved the Board commit 26.5% of the project cost, up to \$780,000, as a loan, and that the bonded indebtedness be returned at 1% interest over 15 years with annual payments of approximately \$61,000 (including reserves). SPENCER JONES seconded the motion. All voted in favor and the motion passed.

SPECIAL ITEMS:

RE484/RM012 Hights Creek Irrigation Company (SSMG) Davis Ethan Stayner

ETHAN STAYNER presented the report. RODNEY HILL stated they're back for this funding because after the division staff's recommendation, their board approved pursuing it, and now they'll be able to finish their meter project. (RE484) KYLE STEPHENS moved the Board authorize and commit 21.5% of the project cost, up to \$2,220,000, as a Small System Secondary Meter Grant. MIKE DAVIS seconded the motion. All voted in favor and the motion passed. (RM012) KYLE STEPHENS moved the Board commit an additional \$808,000 and amend the purchase agreement to state the Board will provide 25.5% of the project cost, up to \$2,630,000, and that the project be purchased at 1% interest over 15 years, with annual payments of approximately \$190,000. RANDY CROZIER seconded the motion. All voted in favor and the motion passed.

RL582 Payson City (Expansion of Scope) Utah Russell Hadley

RUSSELL HADLEY presented the report. TRAVIS JOCKUMSEN expressed appreciation for the time and funds to do their projects. MIKE DAVIS moved the Board allow the remaining project funds to be used for the purchase and installation of shutoff valves. SPENCER JONES seconded the motion. All voted in favor and the motion passed.

RE450 Draper Irrigation Company (Additional Funds) Salt Lake Russell Hadley

RUSSELL HADLEY presented the report. DARRIN JENSEN-PETERSON stated the work has been ongoing for over 15 years, and they do need additional funds for this project and asked for a longer repayment term (30 years instead of 25) to keep their consumers' rates lower.

BRIAN STEED asked questions regarding the amount of water to be pumped from the shallow wells, the proximity to the Jordan River, and what the increase in depletions will be, to determine the project's effects on Great Salt Lake. DARRIN JENSEN-PETERSON stated pumping will increase about 1200 acre feet, and that the exact distance to the River is unknown, but it is close. The company is working with the State Engineer on a water reuse application, and the goal is to submit a water replacement plan so there would be no impact on GSL, but rather send their Utah Lake water to GSL and use the cleaner water from the reuse in its place. No application and agreement is in place at this time.

The Board discussed the specific difference in costs to end users between the 25-year and 30-year repayment terms, and current customer rates. MIKE DAVIS moved the Board commit an additional \$3,655,000, and amend the purchase agreement to state the Board will provide 72.8% of the Phase 1 costs, up to \$10,090,000, and that the project be purchased at 1% interest over 25 years, with annual payments of approximately \$458,200. RANDY CROZIER seconded the motion. Seven voted in favor, BRIAN STEED voted no. The motion passed.

MARISA EGBERT summarized that RM008, RM024 and RM064 are all ARPA grant conversion requests, as allowed by Utah Code.

RM008 Hyrum City (Convert ARPA Funds) Cache Anny Baynard

ANNY BAYNARD presented the report. TODD PERKINS asked for clarification regarding conservation, since staff is not recommending Project A. MARISA EGBERT restated the code that allows conversion of ARPA funds for projects that conserve more water than meters, which increasing pipeline capacity (Project A) does not appear to do. It seems like a good project, and would be eligible for regular Board funding, but not ARPA grant. The Board had a lengthy discussion about the specific project, conservation, and the ARPA grant requirements. CHARLES HOLMGREN moved the Board allow the Applicant to convert a portion of the ARPA grant funds to line and pipe about 4,900 feet of open canal, and that the contract be amended to state the Board will provide 70% of the project cost, up to \$1,801,000. The remaining \$3,199,000 will be returned to the Board. BLAINE IPSON seconded the motion. All voted in favor and the motion passed.

RM024 Johnson Park Pipeline Company (Convert ARPA Funds) Cache Anny Baynard

ANNY BAYNARD presented the report. CHARLES HOLMGREN moved the Board to allow the Applicant to convert the ARPA grant funds to install about 4,700 feet of pipeline and commit 70% of the eligible costs, up to \$114,800. MIKE DAVIS seconded the motion. All voted in favor and the motion passed.

RM064 Paradise Irrigation & Reservoir Co. (Convert ARPA Funds) Cache Marisa Egbert

MARISA EGBERT presented the report. CHARLES HOLMGREN moved that the Board reauthorize 70% of the project cost, up to \$105,350, and state that all grant requirements must be completed by July 15, 2024, or the project will be withdrawn from further consideration by the Board. The remaining \$1,802,650 will be returned to the Board. RANDY CROZIER seconded the motion. All voted in favor and the motion passed.

WITHDRAWALS:

MARISA EGBERT summarized the withdrawals, which are all secondary meter projects. Of the 23 projects listed, 16 of them signed a release of funds, five of the others indicated by phone or email that they were not going to use the funds, and the remaining two did not submit a release or any of the required project documents.

CHAIR JULIETTE TENNERT pointed out that if these projects are withdrawn there will be a significant amount of funding that will be available. There will be a formal application period will be opened, a special Board meeting will be scheduled to set that application period, and specific criteria to meet the tight deadlines and get funds under contract.

BLAINE IPSON moved that the following projects be withdrawn from further consideration by the Board: RM010 Richmond Irrigation & Power Company, RM025 Green Belt Irrigation Company, RM027 Castle Valley Special Service District, RM030 North Logan Sprinkling Company, RM032 Horseshoe Irrigation Company, RM041 Liberty Irrigation Association, RM047 Fountain Green Irrigation Company, RM054 Smithfield Irrigation Company, RM055 North Summit

Pressurized Irrigation Company, RM057 Birch Creek Irrigation Company, RM062 Nephi Irrigation Company, RM063 Center Hyde Park Water Pipeline Company, RM066 17th North Water Users, Inc., RM069 Leeds Water Company, RM072 Green Canyon Sprinkler Company, RM075 Loa Town, RM079 Center Creek Irrigation Company, RM087 Wanship Irrigation Company #2, RM089 Fillmore Water Users Association, RM094 Corn Creek Irrigation Company, RM096 Panguitch City, RM097 Sand Creek Irrigation Company and RM098 Minersville Reservoir & Irrigation Company. SPENCER JONES seconded the motion. All voted in favor and the motion passed.

DIRECTOR'S REPORT:

CANDICE HASENYAGER summarized her presentations to legislative interim committees regarding secondary metering, landscape incentives, aqueduct resiliency projects, and cloud seeding.

She also had the Colorado River Authority Board meeting on Tuesday and got an update that the seven basin states' principals are meeting to negotiate, but asked for patience while they try to reach an agreement.

Finally, an update about the Great Salt Lake - the South arm is currently 4194.8 feet, maxed at 4195.1 feet, the North arm is 4192.1 feet and still rising.

ADJOURNMENT

BRIAN STEED made the motion to adjourn the meeting. BLAINE IPSON seconded the motion. The meeting adjourned at 3:10 PM.