

The Special Meeting of the Board of Trustees of the Carbon Water Conservancy District was held Tuesday December 10, 2024 in the Upstairs Conference Room at the Carbon County Administration Building, 751 East 100 North, Price, UT 84501.

Present:

Jon Richens, Trustee, Chairman
Daniel Allen, Trustee, Vice Chairman
Christian Bryner, Attorney
Gordon Odendahl, Clerk
Russell Seeley, Trustee

Also Present:

R.J. Davis, Dam Tender
Derris Jones, Assistant Dam
Doug Rasmussen, Finance Director
Janelle Jensen, Assistant Finance Director
Bryan Schmutz, USBR
Bill Butcher - PRWUA
John Houston – Intermountain Electronics

Excused:

Brad Timothy, Trustee
Keith Cox, Trustee, Treasurer

1. Open Meeting and Introduction of Guests.

Chairman Richens opened the meeting at 3:00 PM and thanked everyone for their attendance. Chairman Richens announced that Daniel Allen had been re-appointed to the Board of Trustees for Division 1 (Northern - Scofield Area) and thanked Trustee Allen for his willingness to again serve the Board. Chairman Richens also announced that J Tyler Clark was appointed by the Carbon County Commissioners to represent Division 5 (Southern – Wellington Area) and Mr. Clark will be replacing Brad Timothy. Trustee Allen's and Mr. Clark's terms will become effective January 1, 2025 and both individuals are appointed for a term of 4 years. Chairman Richens also welcomed Mr. John Houston, Chairman of the Board of Intermountain Electronics to the meeting.

2. Review and Possible Approval of Minutes from Meeting on 10/15/2024.

There were no comments or concerns about the minutes. Trustee Seeley made a motion to approve the minutes of the Quarterly Meeting on 10/15/2024 as written. Trustee Allen seconded the motion, and the motion was approved unanimously.

3. Dam Tenders Report – RJ Davis.

Dam Tender RJ Davis stated the elevation of the reservoir is currently 7,611.91 ft which is 50,632 acre ft. of storage. This correlates to 77% of usable capacity. We are currently releasing only 3.7 CFS of water. Mr. Davis reported the reservoir is rising (currently rising 15/100's of a foot per week) and probably in February sometime we will need to do a Stabilization Release to keep the reservoir level from rising up into the area near the spillway during freezing temperatures. Mr. Davis stated that current SNOTEL readings are 3.4" of water content at Mammoth/Cottonwood which is 94% of median and Clear Creek is 2.9" of water content or 85% of median. Chairman Richens told the group for reference purposes that he and Assistant Dam tender Derris Jones attended the Price River Water Users Association on Monday December 2nd. The water users were wanting to know when we would be able to start pre-releases. Chairman Richens told the Water Users Association that the pre-releases would not be made until January or February and that we would like to be able to communicate and coordinate these releases with the Colorado River Authority and with the USGS for continued calibration efforts with the two Flow Meters that were recently installed. Trustee Seeley asked for clarification purposes why we would be releasing water in wintertime. Chairman Richens

and Mr. Davis replied that we do not want to let the water level rise to the level of the spillway which could damage the concrete and also, we want to make the releases later in the year in order to have a better idea of the snowpack levels to more accurately predict runoff for flood prevention and at the same time being able to make sure the reservoir fills to its maximum capacity.

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 comments from the public.

5. Discuss and Possible Approval of Amended Interlocal Agreement for the Intermountain Industrial Park Reinvestment Project Area.

Chairman Richens reviewed the presentation at our last meeting from Bobby Houston and John Houston from Intermountain Electronics. Chairman Richens asked if anyone in attendance had any further questions about the project or the agreement. Chairman Richens stated that CEO Bobby Houston was traveling and unable to attend today's meeting but Mr. John Houston was here to answer any questions or concerns. Nothing has changed since the presentation was made in our last meeting. The only change to the original agreement is extending the time period by two years allowing for the tax incentives to be fully utilized by Intermountain Electronics. CWCD Attorney Christian Bryner has reviewed the agreement. Carbon County approved the amended agreement in the County Commission Meeting last week. Chairman Richens stated he did "red line" several items in the agreement, but these only concerned the names of some of the entities involved and these corrections have been made. Trustee Seeley made a motion to approve the Amended Interlocal Agreement for the Intermountain Industrial Park Reinvestment Project Area. Trustee Allen seconded the motion, and the motion was approved unanimously. Mr. John Houston thanked the group for their support and asked if anyone had any further questions about the agreement or the project. There were none.

6. Discuss and Possible Approval of Resolution authorizing the execution of an amended Interlocal Agreement for the Intermountain Industrial Park Reinvestment Project Area.

Chairman Richens stated that there was also a resolution to authorize the execution of the Amended Interlocal Agreement for the Intermountain Industrial Park. Since this was listed as a separate agenda item Chairman Richens thought it best to discuss the agenda items individually. Trustee Seeley made a motion to approve the Resolution to Execute the Amended Interlocal Agreement for the Intermountain Industrial Park Reinvestment Project Area. Trustee Allen seconded the motion, and the motion was approved unanimously.

7. Discuss and Possible Approval of Proposed Tax Increment for New Hotel Project as part of the existing "West Price Travel and Tourism Community Development Project".

Chairman Richens reported that this item is a continuation of the subject discussed at our last meeting, but there is no action to be taken on this today. Chairman Richens has communicated with the other taxing entities involved with this proposed project and he has forwarded to us individually a meeting invite scheduled for December 19, 2024 which will discuss the proposed project. Trustee Seeley asked for clarification if this project involved building the 2 new hotels that are being

considered at the location near JB's Restaurant. Chairman Richens stated yes, this is the same project. Chairman Richens asked any of the trustees who could attend this virtual meeting to try to listen in. This subject will again be discussed and an agreement will probably be proposed for tax incentives and payback rates at our next meeting. Price City is asking that the taxable entities agree on one payback rate for all entities. Chairman Richens stated we will table this item until our next meeting.

8. Discuss and Possible Approval of Estimate to Develop B2W Funding Request Application for Enclosing the Carbon and Price/Wellington Canals per the in-progress EIS.

Chairman Richens announced that PRWUA President Bill Butcher was planning to be here today to report on this, but he is not here yet so we will table items 8 and 9 for now.

9. Discuss and Possible Approval of Costs to Develop B2W Funding Request Application for the Lower Basin Reservoir per the in-progress EIS.

This item is tabled as per the discussion on Item 8.

10. Review and Possible Approval of Draft Watershed Agreement with NRCS.

Chairman Richens stated we have not heard from Monique Robbins of Horrocks Engineers or from the NRCS, so we will also put this item off until the next meeting.

11. Discuss and Possible Approval of 4th Qtr. 2024 – YTD Financial Statements – Doug Rasmussen – Janelle Jensen.

Finance Director Doug Rasmussen reviewed the Financial Statements for the period ending November 30th 2024. The Balance Sheet, Combined Profit & Loss Statement, Profit & Loss by Fund (Class) and the Profit and Loss Statement (Budget vs Actual) were all presented and reviewed. Mr. Rasmussen stated the Balance sheet Shows all of the Cash Accounts, PTIF and Checking and Accounts Receivable and all the Fixed Assets show Total Assets to be just a little over 4.4 million. Current Liabilities show Accounts Payable of \$3,100, the annual USBR Payment and Payroll Liabilities of \$521. Page 2 shows the total of Equity Accounts and Liabilities balance with Total Assets. The Combined P&L shows YTD Revenues are approximately \$221,000, YTD Expenses are approximately \$173,000 leaving a Net Income of approximately \$48,000. Mr. Rasmussen also reviewed the Profit and Loss Statements for Budget vs Actual and P&L by Class for each Fund. The Capital Projects Fund, and Restricted Capital Projects Fund show only Interest Income while the Debt Service Fund shows the annual Payment to USBR. For the General Fund Mr. Rasmussen noted Revenues of \$118,000, Expenses of \$136,000 for a net loss YTD of \$18,000. Mr. Rasmussen noted that typically we receive a large payment of \$200,000 or more for Property Tax Revenues during the 2nd or 3rd week of December so this current loss should be a positive number by the end of the year. Trustee Allen made a motion to accept the November 30th 2024 Financial Statements as presented. Trustee Seeley seconded the motion. The motion was passed unanimously.

12. Public Hearing to Amend 2024 Budget – Doug Rasmussen – Janelle Jensen.

Trustee Seeley made a motion to go into a Public Hearing for the purpose of Amending the 2024 Budget. Trustee Allen seconded the motion and the motion was passed unanimously. Chairman Richens opened the Public Hearing at 3:18 PM and asked if there were any public comments

concerning the budget. There were no comments from the public. In the Public Hearing Finance Director Doug Rasmussen stated the only adjustment that needs to be made to the current budget is to increase the amount of the transfer to the Capital Projects fund by \$150,000 so we can transfer up to \$350,000. This amount is highlighted in yellow in the budget overview for 2024. Mr. Rasmussen stated this transfer will reduce the General Fund to a deficit balance of approximately \$231,000 which will lower the General Unassigned Fund Balance account, which as previously discussed is what we need to do to get the balance below the threshold to comply with the limits put upon us by state requirements. Chairman Richens again asked if there were any public comments concerning the proposed change to the 2024 budget and there were none. Trustee Allen made a motion to go out of the Public Hearing and back into the Special Meeting. Trustee Seeley seconded the motion and the motion was passed unanimously. The public hearing was closed at 3:20 PM. Chairman Richens stated the Special Meeting was now back in session Trustee Seeley made a motion to accept and approve the Amended 2024 Budget as presented. Trustee Allen seconded the motion and the motion was passed unanimously.

8. (continued) Discuss and Possible Approval of Estimate to Develop B2W Funding Request Application for Enclosing the Carbon and Price/Wellington Canals per the in-progress EIS.

Chairman Richens asked the group if it was ok if we now went back to Agenda Item 8 since Bill Butcher, President of the Price River Water Users Association was now in attendance. There were no objections. Chairman Richens stated that Mr. Butcher was here to discuss the possibility of the District providing some funding to support the costs of Horrocks developing a Grant Application to request 100% funding from the USBR for the upcoming B2W grant to pipe the canal systems downstream from the lower basin reservoir. Mr. Butcher gave an update on what he has been able to learn about the B2W funding request. Mr. Butcher stated that he is not sure if the B2W Funding opportunity is ever going to be announced, and he is not optimistic if there will be any more funds left in the current B2E. River Commissioner/Assistant Dam Tender Derris Jones stated he received an email notification that there is a B2E2 with a due date of January 10th, 2025. Mr. Butcher stated he does not have any recent information from Monique Robbins on the progress of the application process that has already occurred or how much the total cost of this would be. We had talked earlier about trying to combine some of the work for two separate applications by Horrocks for Piping the Canals and the Lower Basin Reservoir. Having Horrocks complete both applications would provide some cost savings. It was thought that the cost for one grant application might be \$10,000 individually, and possibly \$12,000 for both applications because much of the work is the same on both applications. Trustee Seeley asked if any work has already been done on the applications, but Mr. Butcher said he did not know at this time. A discussion was held pertaining to paying for work already done on the applications or pre-approving and unknown amount, but it was decided that it was not a good practice to approve expenses for which the cost is unknown. It was stated that CWCD is willing to support the work on the funding applications if there is any chance of obtaining the funding for the Canal Systems. If necessary, we will call a special meeting to approve the costs if and when we know what the costs are going to be. Mr. Butcher agreed to contact Monique Robbins about costs and to further look into other funding opportunities that might be more favorable to the local entities as far as cost sharing is concerned as compared to the current NRCS funding package.

13. Public Hearing to Adopt the 2025 Budget - Doug Rasmussen - Janelle Jensen.

Trustee Allen made a motion to go into a Public Hearing for the purpose of Adopting the 2025 Budget. Trustee Seeley seconded the motion and the motion was passed unanimously. Chairman Richens opened the Public Hearing at 3:32 PM. There were no public comments at this time. Finance Director Doug Rasmussen asked how detailed of an explanation of the proposed budget the group wanted. Trustee Allen suggested we start by going over the items that have changed or are new items as compared to the current budget. Mr. Rasmussen started with the Capital Projects #2 Fund. The Interest Earnings was decreased slightly to account for lower interest rates, and that is the only item in that fund. For the Capital Projects Fund, he projected earnings will increase due to the upcoming transfer from the General Fund in 2024, however we have also taken into account the lower interest rates currently in effect, and Mr. Rasmussen stated that we expect that interest rates will continue to go down slightly next year, so for all accounts earning interest the earnings rate will be slightly lower. For 2025 we anticipate a \$200,000 transfer from the General Fund the proposed budget for 2025. Mr. Rasmussen stated the most significant thing is the \$369,000 expense in the Engineering Expense account for the Gate Replacement costs. The Debt Service Budget is the same, so there are no anticipated changes to the Debt Service Fund from 2024. The funds going in the account are the same as the note payment going out. The General Fund has cost Sharing Increased to \$35,000, Interest Income decreased due to the transfer to the Capital Projects Fund and lower interest rates. Property Tax Revenue is set by the County and that amount is \$272,267. The income from Trout Unlimited Maintenance Agreement will be \$3,000. Water Share Leases are projected to bring in \$20,000. For the expenses, Accounting Expense was increased to \$20,000, Cloud Seeding was increased by \$1,000, Director Fees and Dues & Subscriptions were each increased by \$500, A new Account was Created in the General Fund for Engineering Fees and that was set at \$15,000 for possible expenses with the Lower Basin Reservoir. The Legal Fees account was increased to \$85,000 due to the ongoing litigation between PRWUA and Sanpete County, Repairs & Maintenance Costs for the Dam was increased by \$20,000. Transfer to Capital Projects Fund is anticipated to be \$200,000 and Water Assessments were increased by \$1,000. Other Accounts not mentioned here remained the same as 2024 numbers. Mr. Rasmussen stated the total General Fund Budget for 2025 will be \$530,900, which is about \$50,000 less than the previous year. Mr. Rasmussen stated that although we increased some expenses this year, the overall budget is lower because the anticipated transfer for 2025 is less than the 2024 transfer amount of \$350,000. Chairman Richens thanked Mr. Rasmussen for walking us through the budget. Chairman Richens then asked if there were any comments from the public. There were no public comments. Trustee Seeley asked what the significance was with the net income of -\$113,000 for the Total Budget. Mr. Rasmussen stated that the total expenditures are anticipated to be more than total revenues, so if all of the revenues and expenses are close to the budgeted amounts, then the account for Decrease of Prior Year Fund Balance will decrease to \$178,633, which will decrease the Unassigned Fund Balance. Mr. Rasmussen stated this is needed, but we will again need to review the accounts next year in October sometime to be sure we remain in compliance with the States's guidelines. Trustee Seeley made a motion to go out of the Public Hearing and back into the Special Meeting. Trustee Allen seconded the motion and the motion was passed unanimously. The public hearing was closed at 3:40 PM. Chairman Richens stated the Special Meeting was now back in session. Trustee Seeley made a motion to accept and approve the 2025 Budget as presented, including \$23,400 for the Capital Projects #2 Budget, \$369,000 for the Capital Projects Budget, \$37,057 for the Debt Service Budget, \$530,900 for the

General Fund Budget and \$936,957 for the Total Budget. Trustee Allen seconded the motion and the motion was passed unanimously.

14. Continued Discussion Concerning Employee Salaries and Possible Approval of Increase for Dam Tenders.

Chairman Richens stated this issue was brought up at our last meeting but we couldn't act upon it because it was not an agenda item. Clerk Odendahl had researched past history of pay increases. The last pay increase was approved in December 2022 which was effective January 1st 2023. There had not been any pay increases for over 5 years prior to then. Chairman Richens suggested we review salaries annually. Trustee Seeley and Trustee Allen both were in favor of a 10% increase based on the fact that there have been many prior years when this has not been addressed. Chairman Richens agreed, but asked Finance Director Doug Rasmussen in his experience how other Special Service Districts addressed this issue. Mr. Rasmussen stated that most districts reviewed employee pay annually. Trustee Allen made a motion to increase the two Dam Tender's salary by 10% effective January 1st 2025. Trustee Seeley seconded the motion and the motion was passed unanimously. Chairman Richens thanked both RJ Davis and Derris Jones for all they do.

15. Review, Discuss and Set 2025 Quarterly Meeting Schedule (3rd Tuesday at 3:00 PM).

Chairman Richens stated we have typically met on the third Tuesday of the first month in each Quarter at 3:00 PM for our Quarterly Meetings. Chairman Richens noted that this year these dates would fall on January 21st, April 15th for the Annual Meeting, July 15th, and October 21st. Also to be proactive, we are looking at December 16th for a special meeting to conduct the Budget Hearing(s). Clerk Odendahl stated he would not be in town for the January 21st date but he would be able to attend remotely on that date. Finance Director Rasmussen stated he would not be able to attend on April 15th because it is the last day to file income taxes. After some discussions about everyone else's schedules, it was agreed to change the January meeting to January 14th and the April meeting to April 22nd. Chairman Richens read the proposed the revised 2025 meeting schedule as follows with the meeting time at 3:00 PM:

January 14, 2025
April 22, 2025 (Annual Meeting)
July 15, 2025
October 21, 2025
December 16, 2025 (Budget Hearing)

Trustee Seeley made a motion to approve the 2025 Meeting Schedule as of the dates and time previously stated by Chairman Richen. Trustee Allen seconded the motion, and the motion was approved unanimously.

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

a. Updates on Safety Measures from UDOT at Scofield Dam.

USBR Liaison Officer Bryan Schmutz reported that UDOT had informed them that current plans are to grind up the asphalt on the roadway and resurface the roadway with thicker asphalt and to install stronger guardrails. Mr. Schmutz stated there were currently no provisions for signage or other safety measures proposed with this job and he has reached out to UDOT again to address these concerns. Chairman Richens stated he has also been in contact with Dan Hinkley and Tyson Jewkes from UDOT regarding additional safety measures to help reduce the number of accidents

that have occurred on the dam over the past several years. Both Mr. Schmutz and Chairman Richens have suggested various safety measures such as illuminated or flashing warning signs and rumble strips. To date we have not heard back from UDOT. UDOT has also been in contact with James Sheridan from the USBR's Provo Office. Both Chairman Richens and Mr. Schmutz have agreed to stay in contact with UDOT and remind them of our concerns.

b. Security System Project Update

USBR Liaison Officer Bryan Schmutz reported there is nothing new to report. He has talked with Eric and was told they are still waiting for the funding, but he hopes to be able to install the components in the Spring.

c. Piezometer Automation – Report on Response from USBR Denver Office for Safety of Dams

USBR Liaison Officer Bryan Schmutz reported they are looking to find funding. Mr. Schmutz stated that the fact that the Denver Office is looking for funding is a good indication that they are planning to cover the costs for this project instead of making CWCD pay for the automation and instrumentation.

d. Status of Spillway Repairs.

Chairman Richens stated that we have signed the agreement with USBR and paid the invoice to cover these repairs, so now we are just waiting for the weather to warm up so USBR can do the repairs. Trustee Seeley asked if the repairs will be before the runoff starts. Chairman Richens stated the goal is to complete the work before and hopefully we don't get too close to the time of spilling, but at this point in time all we can do is what the weather allows.

e. Engineering Work by USBR on Regulating Gate and Actuator

Chairman Richens stated we are in a bit of a quandary with this. USBR has given us a proposal and originally were scheduled to start the work in October 2024. They are behind schedule and have now told us they couldn't start the work until mid to late 2025. If we are not able to wait, then they told us we could get a consultant and use an independent engineering firm to do the work. Chairman Richens stated the USBR Provo Office has told us they could help us write an RFP and have given us a list of engineers who have done satisfactory work on similar projects on other dams. Chairman Richens also spoke with Jay Mark Humphrey from Emery Water Conservancy District and he has had similar timing issues with USBR. Mr. Humphrey provided a list of engineering firms which were much the same as the USBR's list. Chairman Richens stated we are not in an emergency situation as the gate is not failing, just leaking due to 75+ years of wear, but he doesn't want this to drag on for years to come when it could eventually become a bigger problem. We would like to get this taken care of sooner rather than later. Trustee Seeley stated we probably do not have the manpower to oversee a project like this or even write an RFP, so we would probably need to hire outside help to undertake this. Trustee Seeley asked USBR Liaison Bryan Schmutz if there were any expected changes in their manpower due to the possible changes with a new administration coming on in January. Mr. Schmutz stated he didn't think so due to the size of all the big water facilities and projects they currently oversee. Mr. Schmutz stated there are some advantages to using the Bureau of Reclamation. Mr. Schmutz further stated he felt the support from USBR including the Denver Office would remain the same as it is for now. Trustee Seeley felt that since this was not "urgent", he felt we would be better off financially as well as having the full support of "The Bureau" if we go with the Denver option and have the Bureau take on this project. Trustee Seeley stated if further delays complicate things,

then we could look at the other options at that time if necessary. Chairman Richens said he would relay the feelings of the board and ask that the Denver office keep us on their schedule.

f. Update on Installation of USGS Flow Meter below Scofield Dam and Progress on Performance and Calibration of Lower Device near Golf Course

Chairman Richens stated that due to the irrigation season being over and water flow from the dam being low, there has not been much opportunity for the USGS to work on the calibration of the two metering devices. Chairman Richens stated there will probably be a winter release as discussed earlier in the Dam Tenders Report, so when that occurs, it would be a good time to work on the calibration. River Commissioner Derris Jones stated he and Chris Wilkerson from USGS have been in contact. Mr. Jones stated the USGS has been taking measurements but there just hasn't been any variation in the flow. Mr. Jones said he would advise USGS of the upcoming Stabilization Releases and coordinate with Chris when the time gets closer. Mr. Jones suggested he could get a table listing the flow rates needed for calibration purposes and try to work with USGS as best we can when the time comes to make the releases.

g. Price River Water Resources Committee Update

Trustee Seeley reported that there have been no changes since our last meeting. Chairman Richens noted that the December meeting for PRWRC was cancelled.

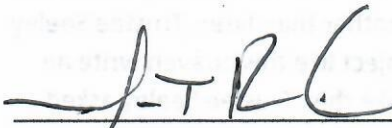
h. Other Ongoing or new Items of business to discuss

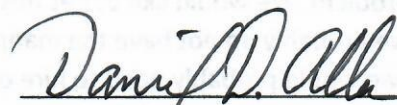
Chairman Richens stated we have received notice from USBR of the Dam Tender Training for 2025. The training will be on March 27th and will be in Rexburg, Idaho. Along with the training, there will be a tour of the site of the Teton Dam. Clerk Odendahl informed the group that we recently received notice from the Utah Inland Port Authority of a Zoom Meeting to be held tomorrow (December 11th) at 2:00 PM. Although we do not know exactly what the meeting is about, the notice was directed to "all Taxing Entities" within Carbon County. Clerk Odendahl said he would forward the notice to the Trustees and anyone else who may be interested.

There was no other business to discuss.

15. Adjourn Meeting.

Chairman Richens asked if there was any further business to discuss. There was no further business. Trustee Seeley made a motion to Adjourn the meeting. Trustee Allen seconded the motion and the motion was approved unanimously. Chairman Richens declared the meeting closed at 4:19 PM.


Chairman


Vice Chairman