



Annual Board Meeting Minutes

Wednesday March 26, 2025 @ 7:00 P.M.
102 West Forest Street
Brigham City, UT 84302

In Attendance: Jay Capener, Vice-Chairman
Boyd Bingham
Lesley Kendrick
Kelly Lemmon
Lyle Holmgren, Financial Chairman
Tim Munns
Joseph Summers
Mike Braegger

Staff: Chance Baxter, General Manager
Jamie Williams, Office Manager

Absent: DJ Bott
Brodie Calder
Riggin Holmgren

WELCOME

Vice-Chairman Jay Capener called the meeting to order at 7:00 pm

CLOSED SESSION

Financial Chairman Lyle Holmgren made a motion to enter into a closed session for the purpose of discussing the purchase, exchange, or lease of real property, including any form of a water right or water shares; pursuant to Utah Code 52-4-205(1)(d).

Lyle Holmgren, aye; Mike Braegger, aye; Kelly Lemmon, aye; Joe Summers, aye; Lesley Kendrick, aye
Tim Munns, aye; Boyd Bingham, aye.

Tim Munns made a motion to leave the closed session and return to the public meeting, motion was seconded by Lesley Kendrick; all members vote aye, motion passed.

ACTION ON CLOSED SESSION

No action taken.

INVOCATION & PLEDGE OF ALLEGIANCE

Offered by Lesley Kendrick

DECLARATION OF CONFLICTS OF INTEREST

A possible conflict of interest was declared by Trustee Lesley Kendrick; She asked to abstain for voting on action item (C) Deweyville Town Pipeline Project.

CONSENT AGENDA

Financial Chairman Lyle Holmgren made a motion to approve items A-B on the consent agenda, motion seconded by Tim Munns; all members vote aye, motion passed.

A- Adoption of agenda

B- Approval of minutes – January 22, 2025

APPROVAL OF FINANCIAL STATEMENTS – JANUARY & FEBRUARY 2025

Financial Chairman Lyle Holmgren reviewed the financial statements for January & February and found them to be in order and recommended approval. Trustee Lesley Kendrick made a motion to approve the financial statements as presented, motion was seconded by Trustee Kelly Lemmon; all members vote aye, motion passed.

ACTION ITEM

A- 2024 Audit Presentation – Mariah Reyes, Child Richards CPAs

Mariah Reyes from Child Richards presented the 2024 audit for Bear River Water. Capital assets were \$17 million, with total liabilities at \$4.8 million and net position at \$17 million. Revenue increased by \$1.3 million from 2023, largely due to increased water rates and grants. Total expenses were \$2.8 million, about \$750,000 more than the previous year. Overall wages and employee benefits decreased by \$61,000, and materials, supplies and utilities (O&M) increased by \$200,000. The audit received a clean opinion, the highest level possible. Recommendations included enforcing the collection policy for overdue accounts and including a missing column in budget preparation to comply with state requirements. There was one state compliance finding; the state requires board members to complete annual training, some board members did not complete the required training.

Single Audit

Ms. Reyes explained to the Board that in the event \$750,000 or more of federal funds are spent in the year, a single audit is required, in addition to the annual financial audit. It is a second audit on District grants, or any other federal funds received. The single audit is just a deeper dive into how those funds were used, there were no findings with the single audit. The District is in compliance with the spending of federal funds.

Trustee Joe Summers made a motion to accept the audit as presented, motion seconded by Trustee Tim Munns; all members vote aye, motion passed.

B- Kory Wayment subdivision updates

Kory Wayment's subdivision, approved previously for water service through a wholesale contract, will now connect to the 8-inch line on 1100 West instead of Highway 38. The change involves installing a booster station and pipes to serve 10 lots. Upon completion, the district will own and maintain the infrastructure. Kory will pay 10 impact fees to the conservancy district before construction starts. The board approved these changes, allowing Corey to continue with the design.

Trustee Tim Munns made a motion to accept Kory Wayment's subdivision updates, motion was seconded by Boyd Bingham; all members vote aye, motion passed.

C- Deweyville Town pipeline project

Deweyville requested funding to replace a 3,500ft pipeline that had reached the end of its life. The total cost is \$78,750, with Deweyville having \$44,000 available. The board approved funding the difference of \$34,750 to replace the 3-inch line with a 4-inch C900 PVC pipe, which will double the capacity to about 500 gallons per minute. The new pipe is expected to have a 50-year lifespan if installed correctly.

Financial Chairman Lyle Holmgren made a motion to help Deweyville town out with the pipeline, contributing \$34,750 to replace the line that's been damaged, motion seconded by Trustee Tim Munns; all members vote aye, motion passed.

D- Jon Schutz departure from Mabey, Wright & James

General Manager Chance Baxter informed the board members that the district's attorney, Jon Schutz, has chosen to leave Mabey, Wright and James to work for a new firm down in Salt Lake. The firm he's going to work for specializes in municipal law which will be a benefit to the district. The district's current attorneys are strictly water; they don't specialize in municipal law which Baxter feels would be very beneficial to the district. Baxter said he really enjoys working with John, he's very professional, and prompt. Baxter asked the board's approval to continue to work with Jon and his new firm.

Trustee Tim Munns made a motion to authorize the Chairman to sign a contract with current attorney Jon Schutz and continue working with Jon and his new firm, motion seconded by Trustee Kelly Lemmon; all members vote aye, motion passed.

DISCUSSION

A- Brigham City withdrawal of request for the District to deed pipeline on Hwy 38 to 4000 N.

In December there was a discussion and action item to negotiate with Brigham City Corporation on the sale of a 10 inch ductile iron pipeline in the Harper Ward region; following that motion, there was an additional motion in January to authorize General Manager Chance Baxter, to continue negotiations with Brigham City. Baxter reported to the board that negotiations have ended and the district along with Brigham City have decided to not to pursue this transaction any further. Brigham City is no longer interested in the pipeline and Bear River Water Conservancy District is no longer interested in selling it to Brigham City.

B- Harper Ward Well – Lance Nielsen; Hansen, Allen & Luce

Lance Nielsen from Hansen, Allen & Luce presented on alignment issues with the Harper Ward well. The well, drilled to 415ft, failed to meet AWWA standards for plumbness and alignment. This necessitated switching from a line shaft turbine pump to a submersible pump. The change incurred additional engineering costs of about \$20,000. The well can still pump 1500 gallons per minute with only six feet of drawdown. The board discussed potential actions regarding the driller's responsibility for the additional costs. Board members had questions on when the Harper Ward Well would be producing water. General Manager Chance Baxter informed the board that they had just closed the bid on the pump house today, the bid came in at over a million dollars.

BEAR RIVER WATER CONSERVANCY DISTRICT

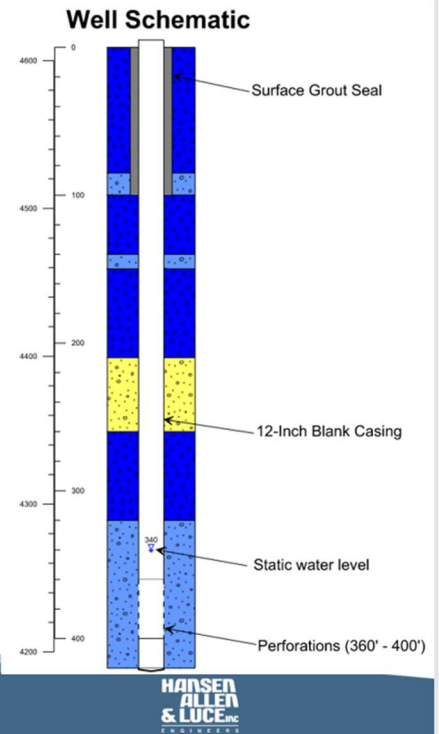
Harper Ward Well Alignment Issue

March 26, 2025

WELL COMPLETION SUMMARY

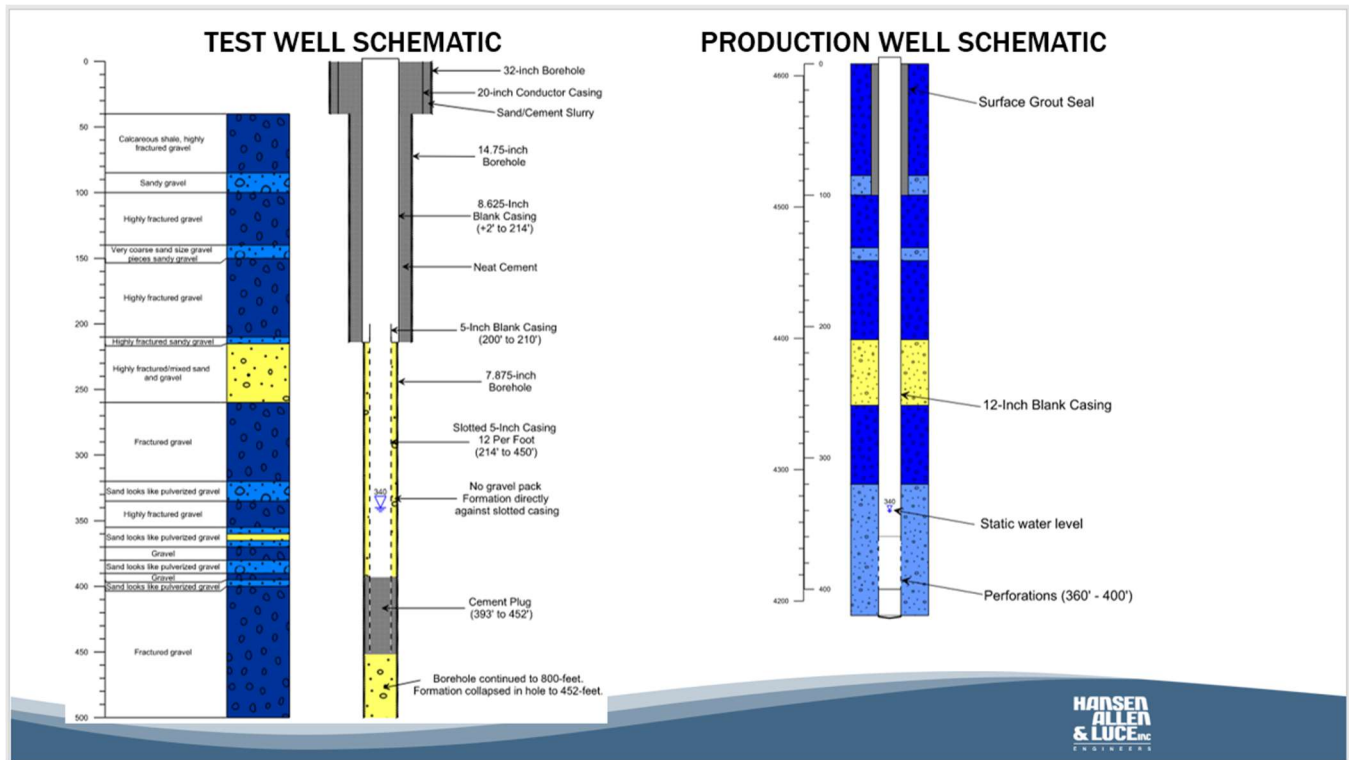
Production Well

- Cable-Tool Drilled to 415 feet with 12" casing.
- Perforations: 360 – 400 ft
- Static Water Level: 340 feet



WELL DEVELOPMENT/PUMPING SUMMARY

- Test Pumped at 1,500 gpm for 24 hours
 - Static water level: 340 ft
 - Pumping water level: 346 ft
- Due to water quality issues, needed to plug bottom of production well and abandon test well



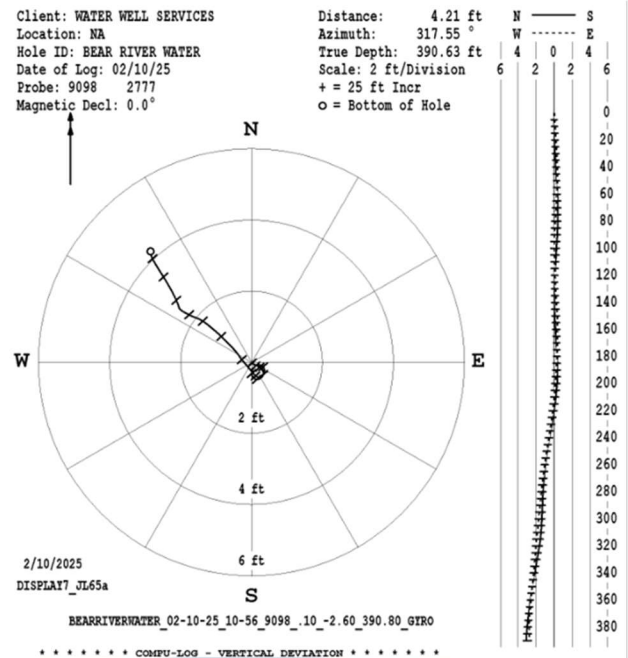
ALIGNMENT CRITERIA

- Must pass a 40-foot long dummy with 11.5-inch diameter (outside diameter ½-inch smaller than casing inside diameter)
- 11.5" dummy stuck at 180 ft
- 11" dummy stuck at 200 ft
- 10.75" dummy passed to bottom of well
- A 20-ft long dummy w/ 11.5" diameter passed to bottom of well



PLUMBNESS CRITERIA

- Max deviation (AWWA)
 - $< \frac{2}{3} * \text{Inside Diameter} / 100 \text{ ft}$
 - For 400 ft well = 2.7 ft
- Actual deviation
 - 4.2 ft



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CONSEQUENCES

- Original design called for 1,500 gpm line-shaft turbine pump.
 - Outside diameter of pump and column is very tight in 12" casing
 - Bend in casing at 200 feet puts stress on bearings
- Will need to install Submersible pump and motor instead.
 - May be tight but will work fine.

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CONSEQUENCES

- Cost of extra engineering services
 - ~\$20,000
- Remaining outstanding contract
 - \$35,000

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ENGINEERS

C- Legislative Update – Shule Bishop, Bishops Consulting

Shule Bishop provided an update on legislative activities. The focus was on energy production, especially nuclear energy. Bishop attended legislative committee meetings and monitored Natural Resources Committees as well as the Natural Resources Appropriations Subcommittee. They worked on a possible RFA (Request for Appropriation) for the Bothwell project but faced challenges due to limited state funds. Future plans include meeting with Chance to prioritize district projects for funding and engaging with key legislators like Senator Sandal and Representative Tom Peterson.

PUBLIC COMMENT

No public comments

TRUSTEES REPORT

Lyle Holmgren-

Lyle reported on working closely with the Conservancy District while working with the BR Mountain developer and trying to work out sources of water. The developers would like to get moving on it as soon as possible. The developer has been very accommodating and willing to do his part.

Mike Braegger-

Mike asked questions regarding completion of the South Willard Well drilling. General Manager Chance Baxter said the well drilling was complete and gave a quick update on the well.

Kelly Lemmon

Kelly reported on meeting with the independent water companies, he mentioned that the participants liked attending the meeting and asked if they could continue to meet quarterly. Kelly said the companies have a lot of needs and wants and isn't sure what we can help them with.

Joe Summers

No report

Lesley Kendrick

Lesley reported on the Harper Ward resident's response to the previous negotiations to deed the Harper Ward pipeline to Brigham City. She had collected 60 signatures opposing the transfer of the line. Lesley believes the Harper Ward residents will be happy the request of transfer has been withdrawn.

Tim Munns

Tim reported on a project tour that he and Jay Capener went on with General Manager Chance Baxter. Tim said the tour was educational.

Boyd Bingham

Boyd told the board that the discussion to deed the Harper Ward waterline to Brigham City has caused a lot of stir. Boyd emphasized the importance of the board studying out a situation and study out the issues and make sure the board is looking at both sides, and to realize that what we do affects not just Brigham City but it affects the whole county because the whole county is being taxed to fund this district.

Brodie Calder

(General Manager Chance Baxter reported on behalf of Brodie Calder who was absent)

I would like to provide an update on recent developments regarding the Ukon water well project near Riverside. Ukon water has officially, began drilling the Hammons Well. We are optimistic about the results given the studies that have been conducted. We are looking forward to analyzing the data once available. Riverside North Garland has expressed interest in forming a joint venture with Ukon Water and the Bear River Water Conservancy District to collaborate on the well project. This represents a potential opportunity for increased resale cooperation and resource management. Additionally, Riverside North Garland is currently working through their engineer to assess the feasibility of increasing their available water shares for sale. This is an effort aimed at providing liquidity and ensuring that they can meet their ongoing and future water supply needs. I will continue to monitor these developments and provide future updates to the board as needed. Thank you.

Jay Capener

Jay Capener reported on the Bear River Canal; Good water supplies, the percent was at 103 the last time we talked about it, it is as full as it's been for the last two years.

ADJOURNMENT

Lesley Kendrick made a motion to adjourn, motion was seconded by Boyd Bingham; all members voted aye, motion passed.