Our Water. Our Future. Our Choice.

The District's purposes include planning for and facilitating the long-term conservation, development, protection, distribution, management, and stabilization of water rights and water supplies for domestic, irrigation, power, manufacturing, municipal, recreational, and other beneficial uses, including the natural stream environment, in a cost-effective way to meet the needs of the residents and growing population of Cache County.
www.cachewaterdistrict.com

CACHE WATER DISTRICT BOARD OF TRUSTEES
MEETING MINUTES
February 3, 2025

The Cache Water District Board of Trustees convened for a meeting on February 3, 2025, at 5:30 p.m. in the Cache County Historic Courthouse Council Chambers, 199 North Main Street, Logan, Utah.

MEMBERS OF THE BOARD IN ATTENDANCE:
Mark Anderson – Logan #3 Council
Jared Clawson – At-Large Position
Kirt Lindley – At-Large Position
Beth Neilson – Southeast Council District
Jeff Ostermiller - Logan #1 Council District
Max Pierce – North Council District
Bret Randall – Northeast Council District
Brett Roper – At Large Position
Jeannie Simmonds – Logan #2 Council District
Regan Wheeler – Agricultural Representative

MEMBERS OF THE BOARD EXCUSED:
Jonathan Hardman – South Council District

OTHERS IN ATTENDANCE:
Nate Daugs, Chad Brown, Jacob Ames, Nick Reithel, Debbie Zilles

CALL TO ORDER

Chairman Pierce called the meeting to order at 5:35 p.m.

ACTION: Mr. Clawson moved to approve tonight's agenda and the January 6, 2025 meeting minutes as submitted. Mr. Ostermiller seconded the motion. The motion was approved (10-0).

Yea: Anderson, Clawson, Lindley, Neilson, Ostermiller, Pierce, Randall, Roper, Simmonds, Wheeler
Absent: Hardman

SWEARING IN FOR 2025 ELECTED OFFICIALS

Recently elected members of the Board, Brett Roper, Jeannie Simmonds, Jared Clawson, Max Pierce, and Jeff Ostermiller, were sworn in by Cache County Clerk Bryson Behm.

ELECTION FOR 2025 BOARD POSITIONS

Chairman Pierce said he has been the Chair for the past two years and feels it is time to turn it over to someone else.

ACTION: Mr. Clawson moved to approve tonight's agenda and the January 6, 2025 meeting minutes as submitted. Mr. Ostermiller seconded the motion. The motion was approved (10-0).

Yea: Anderson, Clawson, Lindley, Neilson, Ostermiller, Pierce, Randall, Roper, Simmonds, Wheeler

Absent: Hardman

ACTION: Mr. Lindley moved to nominate Brett Randall to serve as Vice-Chair. Mr. Clawson seconded the motion. The motion was approved (10-0). Mr. Randall respectfully withdrew his name for consideration based on his busy schedule.

ACTION: Ms. Neilson moved to nominate and appoint Jeff Ostermiller to serve as Vice-Chair. Mr. Wheeler seconded the motion. The motion was approved (10-0).

Yea: Anderson, Clawson, Lindley, Neilson, Ostermiller, Pierce, Randall, Roper, Simmonds, Wheeler

Absent: Hardman

Max pointed out that this is Ms. Simmonds' last term and noted that a transition of the treasurer's duties needs to be considered. Ms. Simmonds is happy to continue in the position until her term ends and the responsibilities are given to another person – either a board member, an accounting agency, or an employee.

ACTION: Mr. Clawson moved to nominate and appoint Jeannie Simmonds to serve as 2025 Treasurer. Mr. Ostermiller seconded the motion. The motion was approved (10-0).

Yea: Anderson, Clawson, Lindley, Neilson, Ostermiller, Pierce, Randall, Roper, Simmonds, Wheeler

Absent: Hardman

PUBLIC INPUT

No comments

FINANCIAL REVIEW

-See Attachment 1-

Ms. Simmonds reviewed the documents. She noted that "Restricted Income Other" of $117,855.39 is the cost share items received from the irrigation company concerning Trapper Park.

Mr. Pierce, Ms. Simmonds, and Mr. Daugs recently met with Davis & Bott about the audit cost. She provided members with itemized details of the charges. Mr. Pierce said he got the sense that they spent more time than necessary on the audit due to the PL-566 projects, and in his opinion, they did indicate that they were not familiar with these types of grants and had to put in extra hours to find the data. The data they were looking for did not exist, but they felt that they had to do their due diligence in finding the answer. They said that because of the lack of communication on the number of hours, they offered to give us a 10% discount.

Ms. Nielson noted that according to the reported invoice, they spent over two (2) weeks chasing data that did not exist. Mr. Daugs said they said a lot of the work was setting up the portal in the system. Mr. Randall said they should have just charged a set-up fee; he is uncomfortable with the lack of communication and does not think the Board should use their agency again. He is disappointed that they felt they had no oversight or budget to stay within. Other members agreed.

Mr. Daugs said they did receive an answer on the grants from NRCS but felt that was not a good enough answer, so they spent time trying to find data for the audit. In the end, the answer was the same as what NRCS offered.

Ms. Simmonds said CWD has grown, and the addition of the PL-566 projects has changed what is required for the audit. She agreed that they seemed to spend time chasing something they did not need to do. The financial statements have been set up to make them more manageable in the future.

Mr. Ostermiller recommended having the audit bid out next year. Ms. Simmonds said the challenge is that it has to be completed by June 30, and many companies get busy that time of the year.

Mr. Anderson serves on the Board of Directors of a company that does $75 million annually and requires an outside audit, which costs ~$25,000.

Ms. Simmonds said the financial statements had to be translated, which took her time. She said Davis & Bott suggested including the cost of the audit in the grants. Mr. Daugs told them that the two federal grants do not allow for that expense.

Mr. Pierce suggested a counter office asking for a 20% discount. Mr. Daugs will follow up with them before the invoice is paid.

CALENDAR

- Feb. 11-12 Bear River Symposium @ USU
- Feb. 13 Conservation Fair @ Cache Event Center
- Feb. 17 APO Meeting @ 5:30 p.m.
- Feb. 25-28 Rural Water
- Mar. 3 CWD Regular Board Meeting @ 5:30 p.m.
- Mar. 18-19 Water Users
- Mar. 25-26 Northern Utah Water Users Conference @ Cache Event Center

Mr. Daugs will work on an evening date for the annual Board workshop meeting at the USU Water Lab in late April or early May.

MANAGER REPORT

Legislative Update

H.B. 328 Water Usage Amendments, sponsored by Rep. Doug Owens, addresses the use of overhead spray irrigation under specified circumstances. It will not be allowed in any new commercial or residential developments, and it will be illegal to sell certain sprinkler nozzles.

H.B. 274 Water Amendments, sponsored by Rep. Casey Snider, would allow cities to set a tiered water rate system to help with water conservation.

Watershed Council Discussion

Still working on how to be most successful. There will be a spring tour in Bear Lake. The date is TBD.

Water Measurement Discussion

Mr. Daugs said there is a need for a better system to calculate and report water, which can be difficult because it is constantly changing. If funding becomes available, he asked if the Board would like to be involved; members agreed CWD needs to be involved in any part of the conversation. Ms. Neilson asked what “better data” would be. Mr. Daugs said there are 4 river commissioners in the Valley – the Little Bear, Logan River, Summit Creek, and Bear River. Mr. Pierce said education/collaboration is an important component that has been continually improving. Ms. Neilson reported that 10 more gauges will be added throughout the County.

SELECTION OF FIRM TO COMPLETE HYRUM STUDY

Mr. Daugs explained that at this step of the process, the Board only selects the firm that it feels is most qualified—four companies sent in response to the RFQ (request for qualifications). The engineering firms who submitted were Franson, RB&G, J-U-B, and Gannett Fleming.

A few members expressed confusion about the process and asked if the firms that provided a response realized the specific scope of work. Mr. Roper asked if the correct process was being followed. Mr. Ostermiller said it might be worthwhile to contact the state purchasing office, which can help with the process. Ms. Simmonds agreed that she would feel more comfortable speaking with the state purchasing office, especially because NRCS is the funding party and is not participating in this step; she would like to ensure everything is handled correctly. Mr. Daugs will check with them.

Ms. Neilson asked if not having a specific scope of work or funding amount at this point is a common approach, she is curious about the process and what the scope of work might mean to different firms. Mr. Daugs said the decision has to be made based on qualifications, and costs can be negotiated. The chosen firm will meet with the Executive Committee to determine the scope of work and costs. Mr. Ostermiller asked if all firms are qualified and how that will be determined. Ms. Neilson said it is challenging to evaluate qualifications based on this limited information. Ms. Simmonds would like to have the expectations more transparent to help assess qualifications. Ms. Neilson agreed.

ACTION: Mr. Roper made a motion to have every member write down their top two candidate(s) to determine which two firm(s) to move forward with. After some discussion, the motion was changed to have each Board Member vote for one (1) firm. Mr. Wheeler seconded the motion. The motion was approved (10-0).

Yea: Anderson, Clawson, Lindley, Neilson, Ostermiller, Pierce, Randall, Roper, Simmonds, Wheeler

Absent: Hardman

The top two firms chosen were Franson and RB&G (by a tally of votes, see below).

The votes were:
Franson Engineers – 6 votes
RB&G Engineering – 2 votes
J-U-B Engineers – 1 vote
Gannett Fleming Engineers – 1 vote

Mr. Lindley noted that one of the engineers from RB&G was the Regional Manager for the Bureau, and he is familiar with the Hyrum facility. The South Cache Water Users hired Franson Engineering years ago to do an in-depth study of the spillway; the Bureau now has that information. Mr. Lindley said the data from the drill logs would be crucial. The Bureau told Mr. Daugs that the data could be accessed.

Mr. Roper said increasing capacity is more than just raising the dam (as indicated by one of the firms); he would like to see this fit into the entire budget.

ACTION: Mr. Roper made a motion to move forward with Franson and RB&G as voted upon. Ms. Simmonds seconded the motion. The motion was approved (10-0).

Yea: Anderson, Clawson, Lindley, Neilson, Ostermiller, Pierce, Randall, Roper, Simmonds, Wheeler

Absent: Hardman

ADJOURN

The meeting adjourned at 7:15 p.m.

-Attachment 1-

Profit & Loss Budget vs. Actual

January through December 2024

	Jan - Dec 24	Budget	% of Budget
Ordinary Income/Expense			
Income			
Cache County	1,662.84		
Cache County Property Taxes	339,529.30	298,598.00	113.7%
Cloud Seeding	0.00	28,000.00	0.0%
PL-566 Watershed Grant NRCS	252,586.25	1,000,000.00	25.3%
Restricted Income			
Northern Utah Water Conference	2,000.00		
Restricted Income - Other	117,855.39		
Total Restricted Income	119,855.39		
Trapper Park Study	402,131.44	2,000,000.00	20.1%
Wellsville Mendon Study NRCS	358,679.39		
Total Income	1,474,444.61	3,326,598.00	44.3%
Gross Profit	1,474,444.61	3,326,598.00	44.3%
Expense			
Operations			
Insurance and Bonding	868.91	5,000.00	17.4%
Office Supplies	1,524.52	2,000.00	76.2%
Publications	0.00	3,000.00	0.0%
Rent	1,350.00	6,000.00	22.5%
Technology			
Cell Phone	429.00	2,500.00	17.2%
Computer and printer	327.64	2,000.00	16.4%
Total Technology	756.64	4,500.00	16.8%
Vehicle			
Fuel	0.00	3,500.00	0.0%
Vehicle - Other	0.00	50,000.00	0.0%
Total Vehicle	0.00	53,500.00	0.0%
Total Operations	4,500.07	74,000.00	6.1%
Outreach			
Conservation	10,000.00	30,000.00	33.3%
Dues	1,296.00	2,500.00	51.8%
Northern Utah Water Conference	3,952.36		
Sponsorships	200.00	2,500.00	8.0%
Training	2,375.72	5,000.00	47.5%
Website	643.30	2,000.00	32.2%
Total Outreach	18,467.38	42,000.00	44.0%

	Jan - Dec 24	Budget	% of Budget
Personnel			
Administrative	80.00	1,500.00	5.3%
Salary and benefits	133,506.85	190,000.00	70.3%
Travel and Mileage	6,910.72	10,000.00	69.1%
USU Data Project Interns	6,643.00		
Total Personnel	147,140.57	201,500.00	73.0%
Professional Fees			
Attorney Services	0.00	15,000.00	0.0%
Audit	0.00	7,000.00	0.0%
Financial Services	682.00	5,000.00	13.6%
Total Professional Fees	682.00	27,000.00	2.5%
Project funding			
Bear River Study	35,910.00	75,000.00	47.9%
Cloud Seeding	41,720.00	63,000.00	66.2%
Logan Observatory	3,165.84	5,000.00	63.3%
Oaks Project	482.28		
Water Acquisition	0.00	20,000.00	0.0%
Water Studies			
PL566 Logan River	315,954.50		
Trapper Park	416,898.06	2,000,000.00	20.8%
Wellsville/Mendon Irrigation	296,599.60	500,000.00	59.3%
Water Studies - Other	0.00	120,000.00	0.0%
Total Water Studies	1,029,452.16	2,620,000.00	39.3%
Total Project funding	1,110,730.28	2,783,000.00	39.9%
Total Expense	1,281,520.30	3,127,500.00	41.0%
Net Ordinary Income	192,924.31	199,098.00	96.9%
Other Income/Expense			
Other Income			
Transfers from equity	0.00	175,902.00	0.0%
Total Other Income	0.00	175,902.00	0.0%
Net Other Income	0.00	175,902.00	0.0%
Net Income	**192,924.31**	**375,000.00**	**51.4%**