

Cedar Ridge Water System Transition Discussion

Date: July 28, 2025

Executive Summary

This meeting was a detailed discussion between Dave Thompson (owner/operator of the Cedar Ridge water system) and Chance Baxter (General Manager of Bear River Water Conservancy District, BRWCD) regarding the potential transfer of ownership and operation of the Cedar Ridge water system to BRWCD. Dave, who has managed the system since the late 1970s, is seeking to retire and ensure a sustainable future for the system, either by transferring it to a mutual association of users or to BRWCD. The conversation covered the system's history, financials, water rights, infrastructure, and the process and considerations for a potential takeover by BRWCD. Both parties discussed the need for legal, engineering, and user group input before any final decisions. The meeting concluded with next steps for both parties, including user consultation, legal review, and technical assessment.

Attendees

- **Dave Thompson along with Spouse** – Owner/operator, Cedar Ridge Water System
 - **Chance Baxter** – Bear River Water Conservancy District (BRWCD)
 - **Kylee Jeppeson**. Bear River Water Conservancy District (BRWCD)
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Detailed Notes

1. Background and Context

- Dave Thompson has managed and owned the Cedar Ridge water system since the late 1970s, installing lines and building the water tank.
- The system is currently privately owned by Dave, with no partners.
- Dave is seeking to retire and is exploring options for the future management of the system, including:
 - Transfer to a mutual association of users.
 - Transfer to Bear River Water Conservancy District (BRWCD).
- The system is not within Tremonton City limits but purchases water from Tremonton City via a contract.

- There are approximately 33 homes currently served, with water rights for more lots.

2. System Operations and Financials

- The system has about \$120,000 in reserves.
- Dave has managed the system without personal compensation and has kept detailed records.
- The system has recently upgraded most water meters; a few are still being replaced.
- The system charges a \$60/month system fee plus a per-gallon water charge (not tiered, per Public Service Commission recommendation).

3. Water Rights

- There are three water rights: one from 1976, one from 1986, and a third more recent.
- Of the 89 total water rights, 25 are for the original subdivision, 12 are being proved up, and the rest are still owned by Dave.
- Tremont City has expressed interest in purchasing the remaining water rights from Dave.
- The agreement with Tremont City to supply water is tied to the Cedar Ridge system, not to Dave personally, and is transferable.

4. BRWCD's Position and Process

- BRWCD operates six water systems in the county, each as a separate entity with its own budget.
- BRWCD is open to taking over the Cedar Ridge system but will not pay for the system; it views such systems as liabilities.
- Any cash reserves would be used to bring the system up to district standards (e.g., meter replacement, repairs).
- BRWCD would require an engineering assessment and legal review before proceeding.
- The board would need to approve any takeover, and the process would likely take several months.

5. User and Legal Considerations

- Dave wants to consult with the water users before making any decisions.
- He also plans to consult with legal counsel regarding the transfer.
- The transfer would ideally occur at the end of the year (December 31) for accounting and operational clarity.
- Dave is considering updating his trust documents to reflect ongoing negotiations.

6. Technical and Infrastructure Issues

- The system includes two 75,000-gallon tanks (150,000 total).
- There are some pressure/elevation issues with connections to BRWCD's system.
- Most meters are 3/4 inch, with a few 1-inch meters.
- BRWCD would require all meters to be replaced with their standard census meters.

7. Community and Historical Issues

- Dave has faced significant contention and accusations from some users in the past, including a state audit (which cleared him).
 - He wants to ensure a smooth transition and avoid future conflict for his family and the community.
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