

**A RESOLUTION TO ADOPT A POLICY REGARDING PARTICIPATION IN MATTERS RELATED TO THE
GOOSEBERRY NARROWS PROJECT**

1. PURPOSE

The purpose of this policy is to define the authority, scope, and limitations of Carbon Water Conservancy District (“CWCD” or “District”) participation in administrative, legislative, environmental, and public processes related to the proposed Gooseberry Narrows Project (the “Project”), including but not limited to water-rights proceedings, State studies, and legislative actions.

This policy is intended to ensure that CWCD’s participation is lawful, coordinated, defensible, and consistent with its statutory mission to protect Carbon County water interests while minimizing legal risk.

2. LEGAL AUTHORITY

This policy is adopted in reliance upon:

- The 1984 Agreement between CWCD, Sanpete Water Conservancy District, and Price River Water Users Association; and
- The decision of the United States Court of Appeals for the Tenth Circuit in *Sanpete Water Conservancy District v. Carbon Water Conservancy District*, 226 F.3d 1170 (10th Cir. 2000), which held that the 1984 Agreement resolved water-rights uncertainty but did not obligate CWCD to support, refrain from opposing, or guarantee construction of the Gooseberry Narrows Project.

3. POLICY STATEMENT

It is the policy of the Board of Trustees that CWCD may actively participate in opposition to the Gooseberry Narrows Project, provided that such participation is focused on project impacts, public welfare, feasibility, environmental compliance, impairment of existing water

rights, and lawful political advocacy, and does not attempt to relitigate settled water-rights allocations.

4. AUTHORIZED ACTIONS

Subject to coordination with legal counsel as appropriate, CWCD is authorized to:

4.1 Administrative and Regulatory Participation

- Participate in proceedings before the Utah Division of Water Rights, including filings, hearings, protests, and supplemental submissions related to change applications or permits associated with the Project.
- Submit comments and participate in studies, reviews, or processes conducted by the Utah Division of State Parks or other state or federal agencies related to the Project.
- Participate in environmental review processes, including Environmental Impact Statements, Environmental Assessments, and mitigation planning.

4.2 Legislative and Political Advocacy

- Communicate with legislators, agencies, and the public regarding concerns with the Project.
- Oppose proposed legislation intended to facilitate, fund, or advance the Project.
- Support or advocate for legislation adverse to or limiting the Project.

4.3 Coalition and Intergovernmental Coordination

- Coordinate and collaborate with municipalities, counties, water districts, associations, and other stakeholders regarding opposition to the Project.
- Participate in organized coalitions or joint efforts addressing Project impacts.

4.4 Funding, Permits, and Construction Opposition

- Oppose public or private funding mechanisms associated with the Project.
- Oppose permits, approvals, or authorizations required for Project construction or operation.

5. LIMITATIONS AND GUARDRAILS

5.1 Settled Water Rights

CWCD shall not oppose or challenge water-rights determinations solely for the purpose of reopening or relitigating water-rights allocations resolved by the 1984 Agreement.

5.2 Basis for Opposition

All actions shall be grounded in legitimate and documented concerns regarding impairment of existing water rights, public welfare impacts, environmental compliance and mitigation feasibility, or Project feasibility.

5.3 Process Integrity

CWCD shall conduct its opposition through recognized legal, administrative, legislative, and political processes and avoid actions that could reasonably be characterized as bad-faith interference or obstruction outside those processes.

5.4 Legal Risk Awareness

The Board acknowledges that Sanpete Water Conservancy District may assert claims alleging violations of the 1984 Agreement. While prevailing legal authority strongly favors CWCD, participation under this policy shall be undertaken with due regard for potential litigation risks and associated costs.

6. IMPLEMENTATION AND OVERSIGHT

The Board Administrator/Clerk, Board Chair, and legal counsel are authorized to implement this policy consistent with the terms set forth herein, subject to approval by the full Board and in accordance with the requirements imposed by Board policy, the Utah Open and Public Meetings Act, and other applicable Federal and State law. Material legal filings or policy-significant actions shall be reported to the Board.

7. EFFECTIVE DATE

This policy shall take effect upon adoption by vote of the Board of Trustees of the Carbon Water Conservancy District.

ADOPTED this 16 day of June, 2026

A handwritten signature in black ink, appearing to read "P. T. R.", is written over a horizontal line.

Chairman, Carbon Water Conservancy District

