

UTAH CONSERVATION COMMISSION
Quarterly Meeting – Richfield Utah
3460 N 600 E Richfield UT
Tuesday, June 2, 2026, 3:00 pm

ATTENDANCE

Appointed Conservation District (CD) Supervisors

UCC Voting Members

Todd Arbon, Zone 2 via video

Kim Evans, Zone 3

Bruce Christenson, Zone 4

Sam Larson, Zone 5

Bill Butcher, Zone 7

Candice Hasenyager, Director, Division of Water Quality

Justen Smith, USU Extension – video

Kevin Bailey, President Utah Weed

Supervisors Association

Bryan Smith, Zone 6

Conservation Commission Members (absent)

Joel Ferry, Utah Department of Natural Resources

Terry Spackman, Zone 1

Conservation Partners Representatives

Michael Larson President, UACD

Stuart Bowler Vice President, UACD

Kristy Davis, Director, UACD

Courtney Freeze, UACD

GUESTS

James Longmore

Department of Agriculture and Food Staff

Troy Forrest, Deputy Commissioner, Utah

Department of Agriculture and Food (UDAF)

Jim Bowcutt, Director, Conservation

Cathy Christensen, Admin. Assistant Conservation

JP Contreras, Resource Coordinator

Sarah Clancy, Agriculture Resource Development

Loan Program (ARDL), Manager via video

Tracy Balch, Agriculture Resource Development

Loan Program (ARDL), Loan Specialist via video

Katie Ottmann, AgVIP Program Manager

Jace Farnsworth, Deputy Director, Conservation

Jeremy Christensen, Land Conservation Program

Daniel Gunnell, Resource Coordinator

Darrell Gillman, Resource Coordinator

Parker Wayment, Resource Coordinator

Kelly Pehrson, Commissioner, UDAF via video

Stephanie Nelson, Conservation Planner, UDAF

Stan Pinegar, Attorney, AG office, UDAF via video

Amber Brown Deputy Commissioner, UDAF

Tyce Palmer, Resource Coordinator

Ryan Jones, Resource coordinator via video

Jace Atkinson, Conservation Planner

Allen Hua, Agriculture Resource via video

Program (ARDL) Loan Specialist via video

Ben Law, Resource Coordinator via video

Brian Christensen, Water Optimization Asst Manager

Sean Trease, ARDL Loan Specialist via video

Logan Davis, Conservation Planner, UDAF

Tony Richards, Water Opt. Manager, UDAF

SUMMARY OF COMMISSION ACTIONS

- | | |
|--|-------------------------------|
| 1. UCC Meeting Commencement | <u>Page 2</u> |
| 2. Approval of Meeting Minutes – Action Item | <u>Page 2</u> |
| 3. ARDL Financial Report | <u>Page 2</u> |
| 4. ARDL Loans – Action Items | <u>Page 2</u> |
| 5. ARDL Proposed Budget FY27 – Action Item | <u>Page 3</u> |
| 6. Emergency Disaster Relief Loans – Action Items | <u>Page 3</u> |
| 5. District Legislative Meeting Report | <u>Page 4</u> |
| 6. UCC Board Appointments – New Members | <u>Page 4</u> |
| 5. Schedule Next UCC Meeting | <u>Page 5</u> |
| 6. Adjourn – Action Item | <u>Page 5</u> |

Welcome

We welcome everyone to the Utah Conservation Commission Quarterly meeting. It is June 32, 2026, and the meeting is being held in Richfield Utah. The meeting began at 3:07 pm.

Approval of Meeting Minutes – Commissioner Pehrson – Action Item

The meeting minutes for March 3, 2026, were presented for approval. **A motion was made by Sam Larson, seconded by Bruce Christenson. The meeting minutes were approved unanimously.**

ARDL Financial Report (Through April 2026) – Sarah Clancy

The ARDL report shows strong financial health and operations. The following table charts the primary asset and fund distributions discussed during the meeting:

Financial Metric	Amount	Notes
Total Asset Value	\$63,373,065	This represents a 2.06% increase from the previous year.
Ending Cash Balance	\$32,335,901	Current cash standing before disbursements.
Active Principal Balance	\$30,613,417	Spread across 332 active ARDL and EDRL loans.
Emergency Water Shortage	\$5,000,000	Held aside, it requires a specific governor declaration of a temporary water shortage emergency to access.
Pending Loans	\$17,409,854	Projected total if all currently pending loans are funded.

ARDL Loan Proposals – Sarah Clancy, ARDL Loan Manager (ACTION ITEMS)

The following table summarizes the data for the three loan proposals that were discussed and approved during the meeting:

Project Location	Project Type	Loan Amount	Interest Rate & Term
Zone 1 (Cache County)	Subsurface drip irrigation	\$85,850 (including 1% fee)	3% for 15 years
Zone 1 (Ridge County)	Clean lining in canal	\$808,000 (including 1% fee)	4% for 15 years
Zone 5 (Beaver County)	Two new pivots	\$189,577 (including 1% fee)	4% for 15 years

ARDL Loan #1 motion for approval was made by Sam Larson, seconded by Bryan Smith. **A roll call vote was taken and the motion passed unanimously.**

ARDL Loan #2 motion for approval was made by Kim Evans, seconded by Bill Butcher. **A roll call vote was taken and the motion passed unanimously.**

ARDL Loan #3 motion for approval was made by Sam Larson, seconded by Kim Evans. **A roll call vote was taken and the motion passed unanimously.**

FY27 ARDL Budget - Sarah Clancy ARDL Loan Manager (ACTION ITEM)

The proposed budget, which includes adding a fifth staff member for an estimated \$107,000 in payroll and benefits, was discussed at length. A motion to approve the new budget was made by Kevin Bailey, seconded by Kim Evans. **A roll call vote was taken and the motion passed unanimously.**

Emergency Disaster Relief Loans – Sarah Clancy (ACTION ITEM)

- The board had a lengthy discussion regarding whether to require collateral for the \$100,000 Emergency Disaster Relief Loans.
- Concerns were raised about the high risk of uncollateralized loans and the potential for applicants to take advantage of the system.
- It was suggested that borrowers who can provide collateral might be rewarded with lower interest rates (e.g., 2%) or extended 0% interest periods.

A motion was made to offer the base terms of 0% interest for two years and 2.75% for the following five years to prevent delays for current applicants, while directing staff to draft a separate collateral-reward proposal for a future meeting. The first motion was made by Sam Larson, seconded by Bill Butcher. A roll call vote was taken, and it was approved unanimously.

District Legislative Meetings - Jim Bowcutt - Director, Conservation

- Staff recently toured all seven zones to meet with local conservation districts to gather feedback on program effectiveness.
- Feedback indicated a need to better educate district board members on their legal roles and responsibilities.
- Future UCC meetings will transition to a roundtable-style discussion where board members are expected to report on district activities.
- Board members will work with local Zone Resource Coordinators to gather information related to projects, funding, successes, etc. within their Zone.
- The department is exploring the idea of reducing the 38 current clerks down to seven zone-based clerks to streamline training and alleviate frustrations.
- The department is looking into allowing districts to roll funding over from year to year to afford larger projects.
- The option of combining two districts into one is being considered. It will be up to the districts to tell us at UDAF that they want to be combined. It will not be forced on any district.
- Streamlining the reimbursement process is being considered. It needs to move faster and be simpler for everyone involved.
- Conservation District members and producers need to be involved in the legislative process. Be at the legislature during the regular session.
- Should the local Conservation Districts be involved in approving all UDAF projects in their area? Like the process in place with NRCS? The consensus is no. It would be very time-consuming for the CDs to review that many applications (some as high as 150 per year).
- We believe that the CD Boards should present to the local County Commissions at least once a year. This will establish and improve relations with county leaders and keep them informed.
- An online survey was created for all of the CD board members to complete. Once we receive the results of this survey, we will share what rules, policies, and state codes that need to be changed or updated for producers. That information will be shared in a future UCC Board meeting.

UCC Board Appointment of New Members - Jace Farnsworth – Deput Director, Conservation

- Four current board seats are up for UCC appointment. They are held by: Todd Arbon, Bryan Smith, Bill Butcher, and Sam Larson.
- State code strictly limits members to two consecutive terms.
- Todd Arbon, Bryan Smith, and Bill Butcher have served their two-term maximums and must be replaced.
- Sam Larson has only served one term and is eligible for reappointment.
- The process to replace or reappoint is on target to be completed before the next UCC meeting.
- It is expected to have the swearing in of the new members at the next UCC meeting in September.

Round Table Discussion – Commissioner Kelly Pehrson

Offer 0% Interest Rate

- There is interest in offering a 0% interest rate for the first two years of an EDRL loan to producers if they offer collateral for the loan. It is considered a way to assist in supporting the producers through the difficult situation(s) they may be in under an emergency declaration(s).
- Discussion included the concern that a producer may qualify and take out a loan but not pay it back because they would not lose any equipment, land, water shares, etc., as no collateral was required.
- No decision was reached during this meeting. Additional information and discussion may take place in the future.

Loan Disbursements

- Once a loan is approved, funds are released to the vendor or the producer and vendor based on the invoices submitted to the ARDL team.
- No funds are released to anyone based on the total approved amount of the loan. A producer could have requested a \$100,000 loan and been approved, but ultimately only borrowed \$80,000 based on the invoices received and approved for payment.

UCC Board – Approving Loans

- Questions were raised about approving and denying loans present to the UCC Board.
- Loan applications are first seen and reviewed by the local Conservation Districts. They have the authority to deny the application going to the ARDL Department of the Conservation Division.
- Once received by the ARDL team and the underwriting process is complete, the loans are presented to the UCC Board members for final approval. The UCC Board has the authority to approve or deny the loan. This can be based on experience related to use of funds, relative cost of the planned project, Loan to Value Ratio, funds available through another source, and many other factors.
- The UCC Board is not expected to approve all loans presented simply because they have made it to the Board for discussion and potential approval.

Next UCC Quarterly Meeting

The next UCC meeting will be set and invitations will be sent by email. It will be held at the UDAF Taylorsville Utah office.

Adjourn Meeting (ACTION ITEM)

A motion was made by Sam Larson, seconded by Bruce Christenson, and approved unanimously. The meeting was adjourned at 4:55 pm.