

MINUTES OF THE **ANNUAL MEETING** OF THE BOARD OF TRUSTEES OF THE
CENTRAL UTAH WATER CONSERVANCY DISTRICT HELD MAY 25, 2022, 1:00 P.M.,
AT DISTRICT HEADQUARTERS, OREM, UTAH.

BOARD MEMBERS PRESENT

L. Alma Mansell, Chair	Wade E. Garner	Greg McPhie
Wayne Andersen	Steve Hanberg	Eldon Neves
Jon Bronson	Max Haslem	Randy Vincent
Kirk L. Christensen	Marvin Kenison	Brad Wells
Steve Farrell	Kathy Wood Loveless	

Shelley Brennan, Jim Riding, Jennifer Scott, and Edwin Sunderland were unable to attend.

STAFF MEMBERS PRESENT

Gene Shawcroft, General Manager
Lisa Anderson, Executive Assistant
Robert Aitken, Diamond Fork Area Manager
Kirk Beecher, Lands Manager
Jim Brooks, Human Resources Manager
Derek Bruton, Project Engineer/Planning
Kent Cottle, IT Assistant Manager
Joe Crawford, Water Quality Scientist
Russ Franklin, Staff Biologist, JSRIP Assist Dir
Jared Hansen, CUP Manager
Dave Hardy, Finished Water Manager
Shaun Hilton, Project Engineer
Richard King, Software Specialist
Shawn Lambert, Chief Financial Officer
Bart LeeFlang, Colorado River Program Manager
Rick Maloy, Water Conservation Manager
Mandy McClellan, Records Manager
Devin McKrola, Bonneville O&M Manager
Rachel Musil, Water Rights Manager
Roger Pearson, WCWEP Project Manager
Paul Pierpont, Provo Area Manager
Dave Pitcher, Assistant General Manager
Carolyn Quigley, Administrative Assistant
Mike Rau, Water Quality Manager
KC Shaw, Deputy General Manager
Bronson Stewart, Controller

Sarah Sutherland, Environmental Programs Manager
Debbie Vanoy, Contract Specialist
Mike Whimpey, Chief Engineer
Gerard Yates, Deputy General Manager
Sam Zacharias, Senior Accountant
Steven E. Clyde, District Legal Counsel

GUESTS PRESENT

Rick Baxter, Bureau of Reclamation
Sterling Brown, Strawberry Water Users Association
Ron Clegg, Clegg Consulting
Adam Cowie, Lindon City
Mitch Dabling, Jacobs
Keith Denos, Provo River Water Users Association
Russ Findley, Department of the Interior
Lorie Fowlke, Representative John Curtis' Office
Juan Garrido, Lindon City
Gary Gold, Department of the Interior
Wesley James, Department of the Interior
Kent Kofford, Bureau of Reclamation
Jason Luettinger, Bowen Collins & Associates
Reed Murray, Department of the Interior
Nate Robertson, LYRB
Wade Tuft, JWCD
Wayne Winsor, MWDSL

BOARD MEETING

Al Mansell, Chair called the Board Meeting to order at 1:06 p.m.

APPROVAL OF MINUTES

Al asked for a motion to approve the April 27, 2022, Work Session Meeting minutes.

MOTION: Greg McPhie moved that the Board approve the minutes of the Work Session Meeting held April 27, 2022. The motion was seconded and Trustees Andersen, Bronson, Christensen, Farrell, Garner, Hanberg, Haslem, Kenison, Loveless, Mansell, McPhie, Neves, Vincent, and Wells all voted in favor. Motion passed.

Al asked for a motion to approve the April 27, 2022, Board Meeting minutes.

MOTION: Steve Farrell moved that the Board approve the minutes of the regular Board Meeting held April 27, 2022, as amended. The motion was seconded and Trustees Andersen, Bronson, Christensen, Farrell, Garner, Hanberg, Haslem, Kenison, Loveless, Mansell, McPhie, Neves, Vincent, and Wells all voted in favor. Motion passed.

PUBLIC COMMENT

No comments were received.

GENERAL MANAGER'S REPORT

Gene Shawcroft referred to Bart Leeftang's Work Session Colorado River presentation and the two significant actions that took place the past month. They are the Drought Response Operations Agreement (DROA) where the Upper Division states agree to release 500,000 acre-feet of water from Flaming Gorge over the next year, which will be held in Lake Powell and the Cooperative Action with the Lower Division states who agreed to hold 480,000 acre-feet of water in Lake Powell. Gene stated that the District is committed to and focused on understanding how the Colorado River system impacts Utah and the District and that Bart and the District's work has been used in meetings with the 7-Basin states and Mexico.

Gene expressed congratulations to the JSRIP's 20th anniversary, and the cooperative efforts made by the participating organizations to bring about the downlisting of the June sucker with the ultimate goal of applying for de-listing of the species.

Gene reported on meetings he attended in Washington D.C. with Assistant Secretary Tanya Trujillo and others. He stated that he shared upcoming District projects. Gene also shared that the District is interested in hydropower, due to the real possibility that hydropower may not be available at Glen Canyon Dam within the next few years, and there will be renewed interest and economic incentive for additional hydropower. He stated that previous studies may be looked at again for the Sixth Water area. Gene also discussed with them the Diamond Fork hydrogen sulfide situation, which is corrosive to the facility, and that mitigation efforts may be required to preserve it, and which would entail redirecting of program funds. Gene also mentioned the Alpine Aqueduct replacement project which is needed due to the landslide issue. Gene then stated the bipartisan infrastructure law which recently passed, has resulted in the District receiving \$39.7 million for CUPCA projects.

Gene then turned time over to Gary Gold, Deputy Assistant Secretary for the Department of the Interior. Gary expressed appreciation to the District for its relationship with the Department of Interior. He shared that being able to see the projects in-person helped him appreciate the current work in progress, the work that remains to be completed, and that the infrastructure money will help accelerate the work the District is doing. Gary stated that the work will continue to keep the annual appropriations money coming to the District.

ENGINEERING & OPERATIONS COMMITTEE – Wayne Andersen, Chair

Derek Bruton, Project Engineer and Planner presented the Engineering Services Agreement for the Northern Utah Valley Aquifer Storage and Recovery Feasibility Study Update and Implementation Plan. He shared background on the North Utah Valley Aquifer Council and the participating entities of the District, Pleasant Grove, Alpine, American Fork, Lehi, and Highland with the purpose of coordinating and facilitating the ongoing planning and development of groundwater resources in north Utah County, to study and evaluate groundwater resources, and to coordinate specific groundwater projects amongst its members. Derek stated that a 2012 feasibility study identified 16 potential recharge sites in the study area, of which, five were carried forward for more detailed investigation and review. Of the five potential sites, all are owned by member entities with the exception of the gravel pit at American Fork Canyon. Derek reported that an updated study is now needed, and four proposals were received from highly qualified firms with two firms being selected for interviews.

MOTION: Wayne Andersen moved that the Board approve an engineering consulting agreement with Hansen Allen & Luce, Inc. for the Northern Utah Valley Aquifer Storage and Recovery Feasibility Study Update and Implementation Plan in the amount of \$212,000 and authorize District officers to sign the agreement subject to District legal counsel review. The motion was seconded and Trustees Andersen, Bronson, Christensen, Farrell, Garner, Hanberg, Haslem, Kenison, Loveless, Mansell, McPhie, Neves, Vincent, and Wells all voted in favor. Motion passed.

Shaun Hilton, Project Engineer, presented Change Order No. 1 to the Construction Contract with Hydro Resources, Inc. for the CWP Wells 16 and 17 Drilling Project. Shaun shared that this change order is related to the completion of Well 17 and adding the drilling of Well 7 to the contract. Both wells will provide water to north Utah County and southern Salt Lake County. He gave a brief history of the project including an overview of the well drilling process and some issues the District has experienced with water quality from the wells which caused work to be temporarily paused at Well 17. With the plan to proceed with groundwater polishing, work on Well 17 can now resume. Shaun stated that Well 7 will likely be the final and eleventh well completed as a part of the CWP project due to the exceptionally high production and well capacity of already completed wells and that the District can capture cost savings by constructing it together with Wells 16 and 17. Shaun then reported that Hydro Resources has been the low bidder on previous District well projects in 2011, 2017, and 2021, as well as recent projects in Orem and Pleasant Grove and that Engineering feels that the price provided by Hydro Resources is representative of a solicited bid price

MOTION: Wayne Andersen moved that the Board approve Change Order No. 1 to the construction contract with Hydro Resources, Inc. for the Wells 16 and 17 Drilling Project and authorize District officers to sign the change order in the amount of \$7,640,157.00. The motion was seconded and Trustees Andersen, Bronson, Christensen, Farrell, Garner, Hanberg, Haslem, Kenison, Loveless, Mansell, McPhie, Neves, Vincent, and Wells all voted in favor. Motion passed.

MOTION: Wayne moved that the Board approve engineering and construction payments for April 2022 in the amount of \$2,849,163.07. The motion was seconded and Trustees Andersen, Bronson, Christensen, Farrell, Garner, Hanberg, Haslem, Kenison, Loveless, Mansell, McPhie, Neves, Vincent, and Wells all voted in favor. Motion passed.

CUPCA COMMITTEE - Kirk L. Christensen, Chair

MOTION: Kirk Christensen moved the Board approve the CUPCA Engineering and Construction payments for April 2022 in the amount of \$2,970,621.57. The motion was seconded and Trustees Andersen, Bronson, Christensen, Farrell, Garner, Hanberg, Haslem, Kenison, Loveless, Mansell, McPhie, Neves, Vincent, and Wells all voted in favor. Motion passed.

LEGAL & LEGISLATIVE COMMITTEE – Steve Farrell, Chair

Rachel Musil, Water Rights Manager, presented on the Water Stock Purchase Agreement between the Central Utah Water Conservancy District and Jay Garlick. She gave a brief history of the 43,000 acre-feet of water rights located in Vineyard and stated that it would be better for the District to increase our diversity of water rights by having more surface water in our portfolio to provide multiple sources for the CWP system. Rachel reported that this is a direct acre-foot-for-acre-foot exchange. In answer to a question, Rachel stated that ground water shares and surface water shares aren't a straight across monetary value, but by moving the water rights away from the wells, the storage component will be beneficial to use the water in winter flows.

MOTION: Steve Farrell moved that the Board approve the Water Right Purchase and Exchange Agreement between the Central Utah Water Conservancy District and Jay Garlick, subject to final legal review, and authorize the District's officers to execute the agreement. The motion was seconded and Trustees Andersen, Bronson, Christensen, Farrell, Garner, Hanberg, Haslem, Kenison, Loveless, Mansell, McPhie, Neves, Vincent, and Wells all voted in favor. Motion passed.

ENVIRONMENTAL & CONSERVATION COMMITTEE – Eldon Neves, Acting Chair

Rick Maloy, Water Conservation Manager, presented on the Grant Agreement between Central Utah Water Conservancy District and Lindon City for Installation of Secondary Water Meters. He shared a brief history of the grant program the District has facilitated for the past five years. Rick stated that Lindon City uses approximately 4,500 acre-feet of secondary water each summer and the potential conservation will save at a minimum 20% water savings which equates to approximately 900 acre-feet of water. In response to a question, Rick stated that by installing 2,600 secondary water meters, 100% of Lindon's secondary water lines would be metered.

MOTION: Eldon Neves moved that the Board award the agreement between Lindon City and Central Utah Water Conservancy District, in an amount not to exceed \$400,000.00 and authorize District officers to sign the agreement, subject to final legal counsel review. The motion was seconded and Trustees Andersen, Bronson, Christensen, Farrell, Garner, Hanberg, Haslem, Kenison, Loveless, Mansell, McPhie, Neves, Vincent, and Wells all voted in favor. Motion passed.

Rick then presented the ULS and Conservation Update Reports. He stated that JVWCD, MWDSL, and SUVMWA have almost met or exceeded their year 2050 goals for water conservation. Rick then shared an update on the Flip Your Strip, Locascapes Rewards, and Landscape Leadership Grant Programs, which are exceeding expectations with applications received. He then shared a brief video report from KSL on the FlipBlitz event held on May 19th, when the District and volunteers flipped seven park strips in one day in Utah County with funding provided by Facebook's parent company, Meta. Rick also stated that the District is continuing its partnership with the Governor's Slow the Flow campaign and shared some information on the current campaign.

FINANCE, AUDIT, AND BUDGET COMMITTEE – Greg McPhie, Chair

MOTION: Greg McPhie moved that the Board approve the Financial Report, as certified by the Chief Financial Officer, for the period ending April 2022, and the Expenditure Report for the same period totaling \$10,724,032.81. The motion was seconded and Trustees Andersen, Bronson, Christensen, Farrell, Garner, Hanberg, Haslem, Kenison, Loveless, Mansell, McPhie, Neves, Vincent, and Wells all voted in favor. Motion passed.

MOTION: Greg moved that the Board adopt the Tentative 2022-2023 fiscal year budget totaling \$265,663,298.00. The motion was seconded and Trustees Andersen, Bronson, Christensen, Farrell, Garner, Hanberg, Haslem, Kenison, Loveless, Mansell, McPhie, Neves, Vincent, and Wells all voted in favor. Motion passed.

MOTION: Greg moved that the Board schedule a public hearing at the June 15, 2022, Board meeting to receive public comment regarding proposed changes to the fiscal year 2021-2022 budget and direct staff to post the required notice of the hearing at least seven days prior to the Board meeting. The motion was seconded and Trustees Andersen, Bronson, Christensen, Farrell, Garner, Hanberg, Haslem, Kenison, Loveless, Mansell, McPhie, Neves, Vincent, and Wells all voted in favor. Motion passed.

MOTION: Greg moved that the Board schedule a public hearing at the June 15, 2022, Board meeting to receive public comment regarding the District's fiscal year 2022-2023 budget and direct staff to post the required notice of the hearing at least seven days prior to the Board meeting. The motion was seconded and Trustees Andersen, Bronson, Christensen, Farrell, Garner, Hanberg, Haslem, Kenison, Loveless, Mansell, McPhie, Neves, Vincent, and Wells all voted in favor. Motion passed.

OTHER

MOTION: Wayne Andersen moved that the Board approve Amendment 1 to Task Order 2, "Colorado River Modeling" of the Multi-Year Professional Services Modeling Contract between Central Utah Water Conservancy District and Precision Water Resources Engineering, LLC, in the amount of \$50,000 for a total not to exceed Task Order amount of \$650,000.00, and authorize District officers to sign the Task Order, subject to District legal counsel review. The motion was seconded and Trustees Andersen, Bronson, Christensen, Farrell, Garner, Hanberg, Haslem, Kenison, Loveless, Mansell, McPhie, Neves, Vincent, and Wells all voted in favor. Motion passed.

MOTION: Wayne Andersen moved that the Board approve Task Order 6, "Colorado River Modeling" of the Multi-Year Professional Services Modeling Contract between Central Utah Water Conservancy District and Precision Water Resources Engineering, LLC, in the amount not to exceed \$780,000.00, and authorize District officers to sign the Task Order, subject to District legal counsel review. The motion was seconded and Trustees Andersen, Bronson, Christensen, Farrell, Garner, Hanberg, Haslem, Kenison, Loveless, Mansell, McPhie, Neves, Vincent, and Wells all voted in favor. Motion passed.

In response to a question, Gene stated that the increase over the previous years' fiscal budget is due to an increase of workload the consultant is being asked to perform of more modeling.

ANNUAL MEETING

Board Chair Al Mansell reported on District activities and accomplishments in 2021. He shared that the 50th anniversary of the completion of Starvation Dam was celebrated in September and many Trustees and participating entities involved were present at the celebration, which also included a tour of the Duchesne Valley Water Treatment Plant and construction site.

Al then mentioned that even with a bad water year in 2021, the District was able to still allocate full-contract water deliveries and that the District's conservation efforts are ahead of plans by two-to-three years. He then informed the Board that the District purchased ground in Salem for a new water treatment plant for South Utah & Juab County.

Al also shared that Governor Cox made Gene the Chair of the Colorado River Authority of Utah to make sure Utah is well-represented and its water rights preserved. He shared that Utah has become the leader of the Upper Colorado River Basin and he commended the Board for allowing Gene to move in that direction. Al next thanked staff for taking on more responsibility to free up Gene to focus more on the Colorado River, and for also taking on responsibilities of the three assistant general managers, who retired within the past several months. He then thanked staff for doing the work that the Board sees the results of during the Board Meetings and shared his appreciation to staff for their hard work, noting a merit and cost of living increase is included in the 2022-2023 budget. Al stated that he had conducted the General Manager's Annual Review and found everything in order.

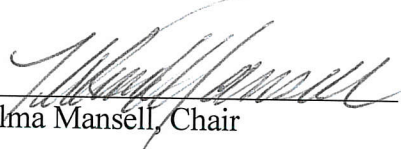
He then mentioned Bond Refund savings that the District has completed with savings in 2021 of \$19 M for various bonds and \$1.7 M for the Jordanelle Electric Revenue Bonds, and over the past five years, due to strategic debt planning and proactive management of debt, the District has saved over \$84 Million.


He then stated that as it is the Annual Meeting, the Board is required to elect District officers.

MOTION: Greg McPhie made a motion to suspend the rules and continue with the current officers with Al Mansell as Chairman of the Board and President of the District, and Shelley Brennan as Vice Chairman of the Board and Vice President of the District, with Gene Shawcroft, General Manager, as Secretary/Treasurer and Shawn Lambert, Chief Financial Officer, as Clerk. The motion was seconded and Trustees Andersen, Bronson, Christensen, Farrell, Garner, Hanberg, Haslem, Kenison, Loveless, Mansell, McPhie, Neves, Vincent, and Wells all voted in favor. Motion passed.

MOTION: Wayne Andersen moved that the Board Meeting be adjourned.

The meeting adjourned at 2:20 p.m.


L. Alma Mansell, Chair


Gene Shawcroft, General Manager