

Board of Water Resources Board Meeting

Salt Lake City
December 3, 2020



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Division of Water Resources 1594 West North Temple, #310 SLC, Utah 84114-6201

UTAH BOARD OF WATER RESOURCES

December 3, 2020

MINUTES

October 8, 2020

2020 Calendar

January							February							March							April						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
			1	2	3	4						1	1	2	3	4	5	6	7				1	2	3	4	
5	6	7	8	9	10	11	2	3	4	5	6	7	8	8	9	10	11	12	13	14	5	6	7	8	9	10	11
12	13	14	15	16	17	18	9	10	11	12	13	14	15	15	16	17	18	19	20	21	12	13	14	15	16	17	18
19	20	21	22	23	24	25	16	17	18	19	20	21	22	22	23	24	25	26	27	28	19	20	21	22	23	24	25
26	27	28	29	30	31		23	24	25	26	27	28	29	29	30	31					26	27	28	29	30		

May							June							July							August						
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3	4	5	6	7	8	9	7	8	9	10	11	12	13	5	6	7	8	9	10	11	2	3	4	5	6	7	8
10	11	12	13	14	15	16	14	15	16	17	18	19	20	12	13	14	15	16	17	18	9	10	11	12	13	14	15
17	18	19	20	21	22	23	21	22	23	24	25	26	27	19	20	21	22	23	24	25	16	17	18	19	20	21	22
24	25	26	27	28	29	30	28	29	30					26	27	28	29	30	31	23	24	25	26	27	28	29	
31																					30	31					

September							October							November							December						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
		1	2	3	4	5					1	2	3	1	2	3	4	5	6	7			1	2	3	4	5
6	7	8	9	10	11	12	4	5	6	7	8	9	10	8	9	10	11	12	13	14	6	7	8	9	10	11	12
13	14	15	16	17	18	19	11	12	13	14	15	16	17	15	16	17	18	19	20	21	13	14	15	16	17	18	19
20	21	22	23	24	25	26	18	19	20	21	22	23	24	22	23	24	25	26	27	28	20	21	22	23	24	25	26
27	28	29	30				25	26	27	28	29	30	31	29	30						27	28	29	30	31		

2020 Board Meeting Schedule

December 3 - Virtual

Utah Board of Water Resources

2021 Proposed Meeting Dates

January 28 - Thursday

March 17 - Wednesday

May 5 - Wednesday

June 17 - Thursday

August 5 - Thursday

September 16 - Thursday

October 28 - Thursday

December 9 - Thursday

Agenda
Utah Board of Water Resources
Virtual Board Briefing Meeting

December 3, 2020

8:00 am

- I. WELCOME/CHAIR'S REPORT
*Chair Blaine Ipson

- II. DISCUSSION OF BOARD AGENDA ITEMS
(See Board Meeting Agenda)

- III. INFORMATION TO THE BOARD

- IV. OTHER ITEMS TO DISCUSS

Agenda
Utah Board of Water Resources
Board Meeting

December 3, 2020

8:00 AM Briefing

10:00 AM Board Meeting

(Electronic Meeting)

Link to presentations and public comment form:

<https://water.utah.gov/comments/>

Livestream Links:

Briefing Meeting: <https://youtu.be/0263ajrjnho>

Board Meeting: <https://youtu.be/vSbJL9b6vdw>

APPROVAL OF MINUTES

NRCS SNOW REPORT:

<u>Proj. No.</u>	<u>Applicant</u>	<u>County</u>	<u>Proj. Manager</u>
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COMMITTAL OF FUNDS:

RE433	West Cache Irrigation Co.	Cache	Russell Hadley
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SPECIAL ITEMS:

RC065	Whiterocks Irrigation Co. (Additional Funds)	Uintah	Ben Maret
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NEW APPLICATIONS:

RE444	Willow Creek Irrigation Company	Sanpete	Ben Maret
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PLANNING REPORT:

Exciting Developments with M&I and Agricultural Water Use Data - Todd S.

LAKE POWELL PIPELINE REPORT:

Approval to enter into Programmatic Agreement - Joel Williams

BEAR RIVER DEVELOPMENT REPORT:

ROW acquisition updates - Marisa Egbert

ADOPT SCHEDULE FOR 2021 MEETINGS:

DIRECTOR'S REPORT:

ELECTION OF 2021 BOARD OF WATER RESOURCES OFFICERS:

ADJOURNMENT

Applicant: **West Cache Irrigation Company**

Project Number: RE433
Fund: Revolving Construction Fund
Total Cost: \$1,046,000

Application Received: 1/13/2020
Authorized: 5/14/2020
Board Meeting Date: 12/3/2020

Board Member: Charles Holmgren
Project Manager: Russell Hadley

Project Summary: The purpose of the project is to replace the Hansen and Ezola lateral ditches with one 6,300 foot pressurized pipeline operated from a centralized pump station.

Recommendation: Staff recommends the board commit 46.4% of the project cost, up to \$485,000, and that the project be purchased at 0% interest over approximately 25 years, with annual payments of \$19,400.

Project Contacts:

President: Sid Munk 2598 W. 5900 N. Amalga, UT 84335 435-881-1348	Vice President: Mike Spackman 270 S. 1200 E. Trenton, UT 84338 435-512-3070	Secretary: Ed Cottle 1207 S. 400 E. Trenton, UT 84338 435-764-9910	Engineer: Scott Archibald Sunrise Engineering 2100 Main Street North Logan, UT 84341 435- 563-3734
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Location

The proposed project is located in Trenton in Cache County.

Project Summary

The purpose of the project is to replace the Hansen and Ezola lateral ditches with one 6,300 foot pressurized pipeline operated from a centralized pump station. Since the project was authorized, it was put out to bid and bids came in higher than expected, primarily due to higher labor and pipe costs. The applicant has also obtained a “Water Optimization Grant” from the State Department of Agriculture.

Cost Estimate & Sharing

The authorized and proposed cost estimate and sharing are as follows:

Agency	Authorized Cost Sharing	% of Total	Proposed Cost Sharing	% of Total
Board of Water Resources	\$407,000	49.2%	\$485,000	46.4%
WaterSmart Grant	350,000	42.3	350,000	33.5
Utah Dept. of Ag. Grant	0	0	125,000	11.9
Applicant	71,000	8.5	86,000	8.2
TOTAL	\$828,000	100%	\$1,046,000	100%

Repayment

At authorization, staff recommended that the board provide 49.2% of the project cost up to \$407,000, and that the project be purchased at 0% interest over approximately 15 years with annual payments of \$27,200. However, the applicant requested a longer repayment term and the board authorized 49.2% of the project cost up to \$407,000, and that the project be purchased at 0% interest over approximately 25 years with annual payments of \$16,300.

Staff recommends the board commit 46.4% of the project cost, up to \$485,000, and that the project be purchased at 0% interest over approximately 25 years, with annual payments of \$19,400.

Staff Comment: The applicant would like to request a repayment term of 30 years. If the board agrees, it would be recommended that the board commit 46.4% of the project cost, up to \$485,000, and that the project be purchased at 0% interest over 30 years, with annual payments of approximately \$16,200. Also, the applicants would like to request a one year repayment delay due to economic hardships in the dairy industry caused by the COVID crisis.

BOARD OF WATER RESOURCES
Special Item – Additional Dam Safety Funds



Applicant: **Whiterocks Irrigation Company**

Project Number: RC065
Fund: Revolving Construction Fund
Total Cost: \$430,000

Application Received: 3/9/2020
Committed: 8/6/2020
Board Meeting Date: 12/3/2020

Board Member: Randy Crozier
Project Manager: Ben Marett

Project Summary: The purpose of the project is to install a seepage collection system and filter drain near the outlet works of Paradise Park Dam as part of the necessary dam safety upgrades.

Recommendation: Staff recommends the board commit an additional \$63,000, and amend the agreement to provide 90% of the project cost, up to \$387,000, as a dam safety grant.

Project Contacts:

President:
Tyson Murray
PO Box 301
Lapoint, UT 84039
435-790-2025

Secondary Contact:
Josie Nyberg
PO Box 301
Lapoint, UT 84039
435-790-5414

Engineer:
Eric Major
45 S 200 W
Roosevelt, UT 84066
435-722-2867



Location

The project is located about 22 miles northwest of Lapoint in Uintah County.

Project Summary

Paradise Park Reservoir was constructed on the southern slope of the Uinta Mountains in 1924. At its crest, the dam is 42 feet tall, 1,500 feet long, is situated at an elevation of 9,958 feet, and can impound approximately 4,060 acre-feet of water.

A seepage collection system and filter drain have been successfully installed, and work on the dam is complete. This system is expected to reduce or eliminate sediment transport which has been observed at the dam since 2011. However, there were several obstacles encountered during construction which increased the cost of the project.

With the reservoir drawn down, an inspection of the inlet gate was performed. The inspection revealed a severely worn gate that would not close completely. A welder was hired to make repairs to the gate and the control rod used to operate the gate.

It was also necessary to remove more riprap from the dam than had been estimated prior to construction. This was necessary to access the base of the dam where the seepage collection system was installed, and to ensure the safety of the contractor's employees working below.

Cost Estimate & Sharing

The estimated cost of the project has increased by \$70,000, from \$360,000 to \$430,000. The committed and proposed cost sharing are:

Agency	Committed Cost Sharing	% of Total	Proposed Cost Sharing	% of Total
Board of Water Resources	\$324,000	90%	\$387,000	90%
Applicant	36,000	10	43,000	10
TOTAL	\$360,000	100%	\$430,000	100%

Staff recommends the board commit an additional \$63,000, and amend the agreement to provide 90% of the project cost, up to \$387,000, as a dam safety grant.

BOARD OF WATER RESOURCES
Application Summary



Applicant: **Willow Creek Irrigation Company**

Project Number: RE444
Fund: Conservation and Development Fund
Cost Estimate: \$370,000

Application Received: 9/25/2020
Board Meeting Date: 12/3/2020

Board Member: Blaine Ipson
Project Manager: Ben Marett

Project Contacts:

President: Tyler Blackburn PO Box 220223 Centerfield, UT 84621 435-979-2083	Secretary: Jeff Beck Hc 64 Box 21130 Axtell, UT 84621 801-361-4677	Engineer: Jesse Ralphs, Sunrise Eng. 25 E 500 N Fillmore, UT 84631 (435)760-0881
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Location

The proposed project is located in Axtell, approximately 4 miles south of Centerfield in Sanpete County.

Proposed Project

The applicant is requesting financial assistance from the board to install flow meters on both secondary and agricultural connections.

Water Rights

- 63-1002
- 63-2829
- 63-4696

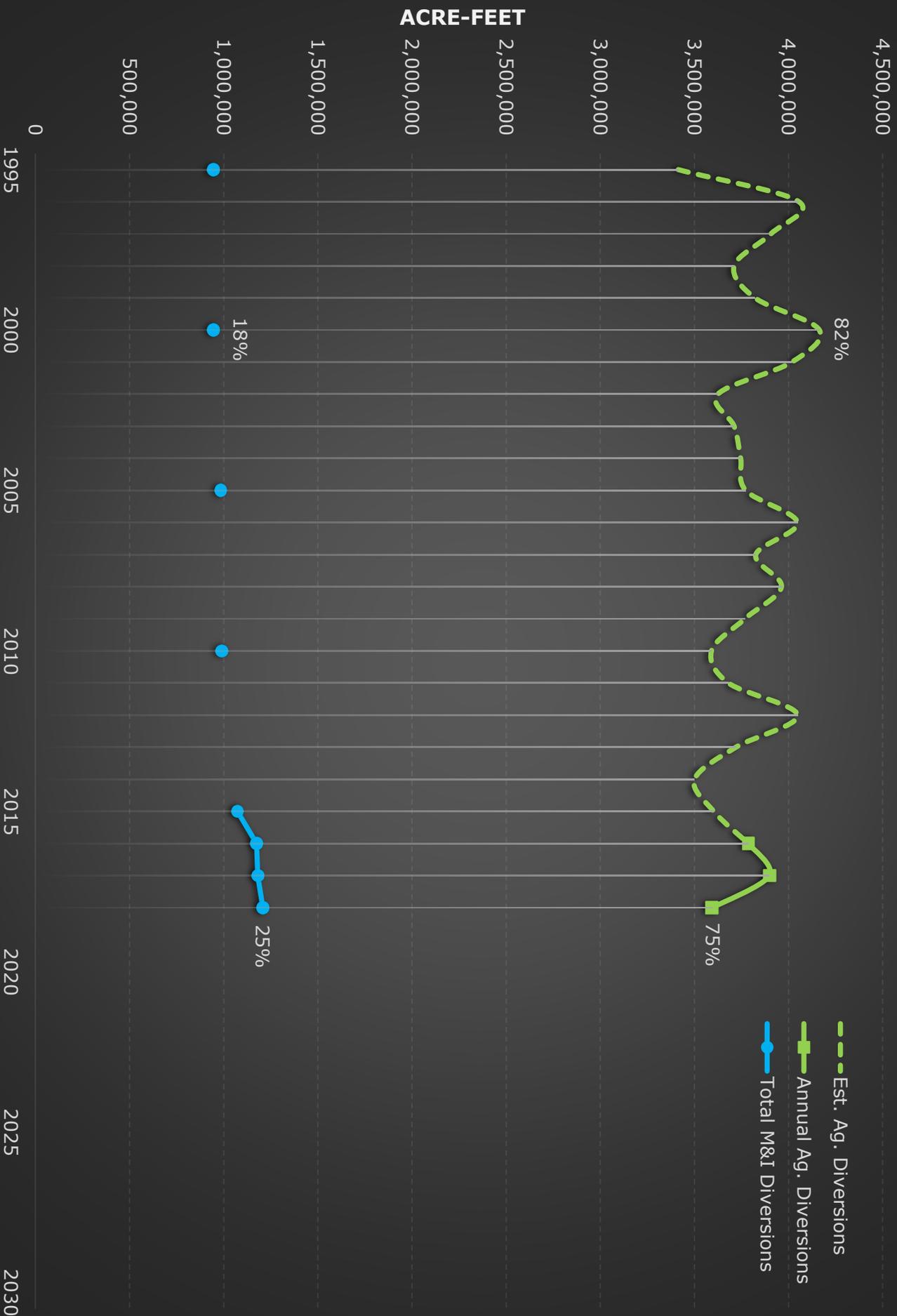


Agricultural and M&I Water Data

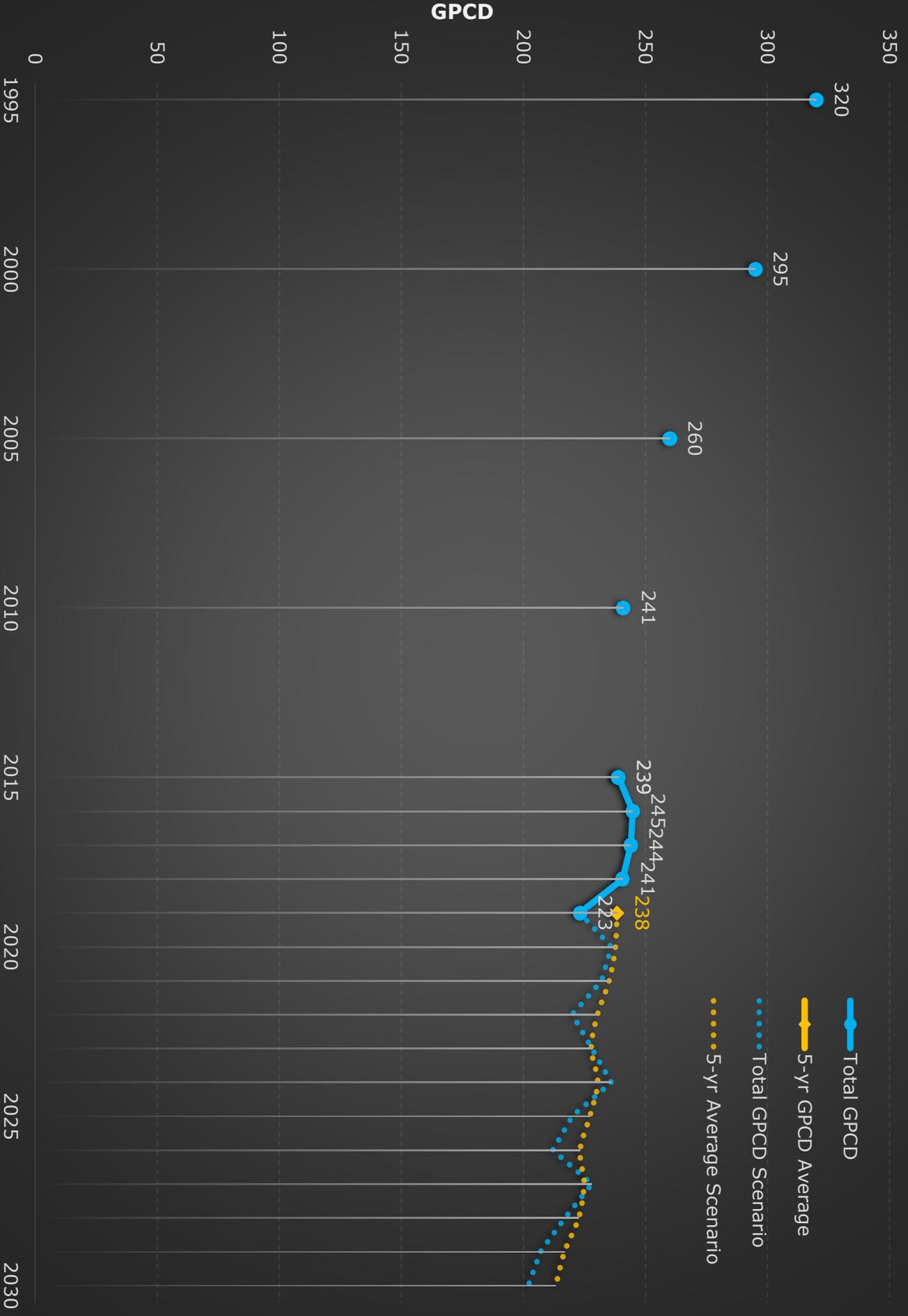
Exciting Developments

By Todd Stonely

Agricultural and M&I Water Diversions



Statewide GPCD & Net Turf ET



**Summary and Explanation
of the
Programmatic Agreement
for the
Lake Powell Pipeline Project**

The proposed Lake Powell Pipeline (LPP) alignment crosses land managed by the Bureau of Land Management (BLM). The BLM is the lead agency for Section 106 compliance of the National Historic Preservation Act. The BLM established an area of potential effect for the LPP and this area has been studied. Some historic properties may be adversely affected by the LPP construction. The BLM developed the Programmatic Agreement in consultation with many parties to outline certain stipulations. Some of these stipulations include the following: standards and guidelines for archaeology and historic preservation, and obtaining required permits for construction. All construction needs cannot be anticipated, and the Programmatic Agreement outlines procedures for variance including avoiding, minimizing, or mitigating adverse effects to historic properties. The agreement acknowledges that a historic property treatment plan will be developed prior to finalizing engineering plans. The parties to the agreement are divided among the following categories: **Signatories**, **Invited Signatories**, and **Concurring Parties**.

The following are **Signatories** and have the authority to execute the agreement: BLM, Kaibab Band of Paiute Indians (if the selected alignment crosses tribal trust lands), Arizona State Historic Preservation Office, Utah State Historic Preservation Office, and the Advisory Council on Historic Preservation.

The following are **Invited Signatories** and have authority to amend and terminate the agreement: Board of Water Resources, Bureau of Indian Affairs, National Park Service, Bureau of Reclamation, Army Corps of Engineers, Washington County Water Conservancy District, and the Kaibab Band of Paiute Indians (if the selected alignment does not cross tribal trust lands).

The following are **Concurring Parties** and cannot amend or terminate the agreement: Fort Mohave Indian Tribe, Havasupai Indian Tribe, Hopi Tribe, Hualapai Tribe, Kaibab Band of Paiute Indians, Las Vegas Paiute Tribe, Moapa Band of Paiute Indians, Navajo Nation, Paiute Indian Tribe of Utah, Pueblo of Zuni, San Juan Southern Paiute Tribe, Arizona State Museum, Arizona State Land Department, Arizona Department of Transportation, Citizens for Dixie's Future, Coconino County, Colorado Plateau Archaeological Alliance, Five County Association of Governments, Kane County, Mohave County, National Trust for Historic Preservation, Utah Rock Art Research Association, Utah Statewide Archaeological Society, Utah Professional Archaeological Council, Washington County, Utah Public Lands Policy Coordinating Office, Utah Department of Transportation, Utah State Institutional and Trust Lands Administration.

Bear River Development Update

Corridor Preservation/ Right-of-Way Acquisition

Utah Board of Water Resources
Board Meeting – December 3, 2020

Purchased property

- Parcel #1016
- Tax ID # 01-138-0022
- Residence w/ detached garage
- \$370,000 – Appraised value
- 0.46 acres/1,475 square feet
- Total take
- Lease-back



Unapproved

BOARD OF WATER RESOURCES

BRIEFING MEETING

MINUTES

October 8, 2020

Virtual Meeting

Utah Department of Natural Resources

BOARD OF WATER RESOURCES VIRTUAL
BRIEFING MEETING
Department of Natural Resources
Salt Lake City, UT
October 8, 2020
10:00 a.m.

THOSE PRESENT: Chair Blaine Ipson
Vice-Chair Kyle Stephens
Norman Johnson
Juliette Tennert
Wayne Andersen
Charles Holmgren
James Lemmon
Randy Crozier
Director Todd Adams
Deputy Director Candice Hasenyager
Assistant Director Joel Williams
Assistant Director Todd Stonely
Ben Maret
Carmen McDonald
Jaqueline Pacheco
Kim Wells
Lindsay Russell
Marisa Egbert
Randy Staker
Shalaine DeBernardi
Paul Gedge
Tom Cox

CHAIR BLAINE IPSON called the briefing meeting to order at 10:02 and read Executive Order regarding Virtual Meetings.

CHAIR BLAINE IPSON announced a roll call and all Board members were present.

DIRECTOR TODD ADAMS listed those who were present from the staff

CHAIR BLAINE IPSON announced the agenda of the meeting. First item to be discussed is the Board Meeting minutes. Were there any changes?

CHAIR BLAINE IPSON there was one change I noted that "roll call vote" should be changed to roll call" for those present for both Board Members and Staff.

CHARLES HOLMGREN on page 7 of the briefing minutes, it should be 24 inch HDPE pipe instead of 240 inch. Also on page 9, it should state "PL5166" instead of "PL166".

CHAIR BLAINE IPSON announced the discussion of the projects.

FEASIBILITY REPORTS

RE441 Provo City

WAYNE ANDERSEN I have not met with the people of Provo City in person but the project looks like a good one.

TOM COX I also have not met with the city but I have been in touch with them through emails and phone calls. Provo City is the third largest city in Utah so they are always looking for good water sources. They do have Provo River water rights that they have not been able to use because they don't have treatment plants to treat that water. They primarily use springs and wells. They are looking for projects to utilize their Provo River water rights. They are proposing to construct an aquifer storage and recovery (ASR) project that includes two pump stations and over 2.5 miles of ductile iron pipe to carry Provo River water to the mouth of Rock Canyon where it will discharge and infiltrate into the aquifer from which the city wells draw.

Staff recommends the board authorize 48.4% of the project cost up to \$10,000,000, and that the bonded indebtedness be returned at 1% interest over 20 years with annual payments of approximately \$585,000 (including reserves).

VICE-CHAIR KYLE STEPHENS in looking at the money available and referring back to our discussion in the last meeting, is there a concern with tying that much money up in these two projects that would eliminate the possibility for other projects that come forward in the future?

DIRECTOR TODD ADAMS currently, we are in great shape with our Status of Funds which will be presented in this meeting. When we have put these projects into the projections, we are able to handle these projects.

COMMITTAL OF FUNDS

RE432 Davis & Weber Counties Canal Company

TOM COX this project was authorized in April 2020. The purpose of the project is to enclose approximately 3,400 feet of deteriorating lined and unlined canal and replace about 2,900 feet of corroding steel pipe with precast concrete box culvert or reinforced concrete pipe.

Staff recommends that the board commit 57.4% of the project cost, up to \$3,444,000, and that the project be purchased at 1.49% interest over 30 years, with annual payments of approximately \$143,300.

SPECIAL ITEMS

RE442 West Milburn Irrigation Company Inc.

MARISA EGBERT this is a little bit of a smaller project. The purpose of the project is to replace over 4 miles of canal with 2.8 miles of pressurized pipe, to facilitate the conversion from flood irrigation to sprinklers. They also have a waterSMART grant for this project.

Staff recommends that the board authorize and commit 51.6% of the project cost, up to \$335,000 and that the project be purchased at 0% interest over 25 years with annual payments of approximately \$13,400.

RC046 Baker Reservoir Company

JIM LEMMON I did go out and look at the project when we first received this and it is a needed project but Tom can give a more detailed description of what the project will look like.

TOM COX the purpose of the project is to complete the minimum state dam safety upgrades on the structure, including constructing a new spillway and crest parapet wall and to install toe drains.

Staff recommends that the board commit an additional \$585,000 as a grant and \$65,000 as a loan and amend the agreements to state that the board will provide 90% of the project cost up to \$3,915,000 as a dam safety grant, and 10% of the project cost up to \$435,000 as a loan with the balance to be returned at 0% interest over 25 years with annual payments of approximately \$17,000.

RC064 Sevier Valley Canal Company

TOM COX this company owns the Three Creeks Dam and the funds for this project were committed at the previous meeting. The bids came in higher than what was expected. The purpose of this project is to line the leaking corrugated metal outlet pipe of the Three Creeks Dam as part of the necessary dam safety upgrades.

Staff recommends that the board commit an additional \$63,000 in dam safety grant and \$7,000 in loan, and amend the agreements to state that the board will provide 90% of the project cost up \$180,000 as a dam safety grant, and 10% of the project cost up to \$20,000 as a loan to be returned at 0% interest over 10 years with annual payments of approximately \$2,000.

CHAIR BLAINE IPSON it seems to be a common theme that the bids come in higher than what was predicted.

TOM COX these last two have because they needed to jump into construction and we needed to commit funds prior so there have been surprises in costs.

RE368 Rock Point Canal & Irrigation Company

RANDY CROZIER they are asking for an extension from 20 years to 30 years based on the cost of alfalfa and what is happening today.

TOM COX this project was initially committed in May 2017. The project has been completed but the water users have not achieved the anticipated benefit and have a hard time coming up with the payment amount annually and they are coming to the Board to request an extension.

Staff recommends that the board increase the purchase period of the project to 30 years and amend the purchase agreement to state that the project will be purchased at 0% interest over 30 years with one payment of \$30,800 and remaining annual payments of approximately \$20,200.

RANDY CROZIER just to clarify, the calculations come out to \$19,800 and the payments are \$20,200 so it is a good deal for them.

RE401 West Porterville Irrigation Company

BEN MARETT they had a project with three major components and as of now, the pipeline has been installed and they will be working on the pond this fall to be completed in Spring. The project has come in under budget and they want to decrease the board's overall cost share but increase the percentage share. They are requesting the board agree to an 85/15 percent split. They have waterSMART grant for \$1,000,000 as well.

Staff recommends that the board reduce committed funds by \$25,000 and amend the purchase agreement to state that the board will provide 45.3% of the project cost, up to \$971,000 and that the project be purchased at 0% interest over 30 years with annual payments of approximately \$32,400.

VICE-CHAIR KYLE STEPHENS it is nice to see these projects coming in under budget and the board being able to agree to the requested terms is something that will help them. This is commendable.

RE020 Center Creek Water System

SHALAIN DEBERNARDI this was a project from a previous project manager. The board committed funds for a culinary water system and they built most of it but when a development that was supposed to come in and help with the payments did not build. They have been saving up for years and have most of the money to complete the project but they reached out and asked for a potential additional funding request. Due to the age of the project, that would be difficult so they are instead requesting to defer a payment for a year so they can use that money to complete the project.

Staff Recommends that the board amend the Purchase Agreement to defer all remaining payments by one year, and forgive the interest for 2020. Regular payments will resume in 2021.

WAYNE ANDERSEN they have been responsible in the past and as a previous Mayor of Spanish Fork, I understand how the downturn in the economy affected cities and growth. They have been working hard and I believe this to be a good thing to forgive the interest and allow them to complete their project.

NORMAN JOHNSON how much is the interest?

SHALAIN DEBERNARDI the interest is about \$8,000 which is significant for them. They need about \$60,000 to complete the project but they feel that if they do not have to pay the payment or interest, they can finish the project and resume payments next year.

JULIETTE TENNERT when we do these deferments, do we typically forgive interest?

SHALAIN DEBERNARDI we have done both and for the last several years, we have required an interest only payment but we have forgiven interest in the past as well.

JULIETTE TENNERT it is a relatively small amount but it is big to them so I do not have a problem, I just wanted to check precedence.

CHAIR BLAINE IPSON in the last meeting we did decide to not forgive interest but that was due to an error that was made in their payments but we have gone both ways since I have been on this board.

VICE-CHAIR KYLE STEPHENS have they been current on their payments?

SHALAIN DEBERNARDI yes, they have.

VICE-CHAIR KYLE STEPHENS I just wanted to remind the board that we did not forgive the interest in the most recent meeting but those were different circumstances. Was this a Covid policy request?

SHALAIN DEBERNARDI no they did not specify that and this was not even their initial plan but we did tell them that it would be tough to get additional funds for a 15 year old project. Its not that cant build their project, they just cant do the project and make the payment so this is what it came down to. MARISA EGBERT I also worked on this project and in order for them to request more money, they would need to update their attorney's opinion and do several other things that would cost more money whereas with this plan, they would not have those additional costs. They came up with this plan and when I spoke to them, I did inform them that the deferment would be around \$30,000 and the project cost was around \$60,000 and asked if they would want to defer 2 years of payments. They said if they could defer one year and interest, but if the interest wasn't forgiven, they might need to ask for another deferment.

NEW APPLICATION

RE443 Bench Creek & Sunrise Irrigation Company

CHAIR BLAINE IPSON there is no action we need to take on this right now because it is a new application which we will make the decision on in the Board Meeting.

INFORMATION TO THE BOARD

CHAIR BLAINE IPSON we will have a Planning Report on Cloud Seeding from Jake Serago, a Lake Powell Pipeline report from Joel Williams (which includes an approval to enter into a programmatic agreement).

DIRECTOR TODD ADAMS there will be a request for funding for next year for Cloud Seeding during the Planning Report as well and that will require a board action.

CANDICE HASENYAGER I just want to mention that in the last Legislative Session, they decided to allow us to appropriate \$200,000 instead of the \$150,000 that has typically been allotted in the past. I just wanted to let you know that the amount requested will be higher. Traditionally over the last 10-15 years, the board has committed \$150,000 and this year the request will be for \$200,000 based on the Legislature. A background on why that was allotted by the Legislature was the increase in project areas recently and we have not had an increase in funding for that since the start. We are able to get you specifics if you would like to see that.

CHARLES HOLMGREN I work as a contractor for North American Weather and identify myself as having a conflict of interest on this.

CHAIR BLAINE IPSON regarding the Lake Powell Pipeline programmatic agreement, is there any additional information we need to know right now for that?

JOEL WILLIAMS yes, we received a copy of that agreement from the Bureau of Land Management (BLM) but it has not yet been signed by the state BLM director so it is not yet ready for the approval and signature of the Board of Water Resources. We will be asking for additional funds for our contract with Stantec. The current amendment we are under expires at the end of this year and we are going to extend that for an additional two years and request an additional \$2.92 million dollars for that contract. I will get the information to the board on that.

CHAIR BLAINE IPSON the next item on the Board agenda will be for water banking and we had discussed that in the last meeting that we would like to have some things in place for that. Emily Lewis (a

consultant with us on water banking) will be giving a briefing. Jaqueline Pacheco will give a presentation on the public hearing and adoption of fees. Is there any other action the board needs to take?

JAQUELINE PACHECO I will be presenting Emily Lewis who is a partner with the law firm Clyde, Snow, and Sessions. They received the Water Banking Manager Contract to oversee the 3-year effort to pilot the water banking concepts and produce a statewide water marketing strategy report. She will provide an update of where we are at with the water banking project and then I will cover the adoption of fees. The Water Banking application fees were submitted to the Governor's Office of Management and Budget (GOMB) where we can collect up to \$5,000 in application fees per fiscal year. I will provide information on the applications fees in the meeting so the motion from the board will be to adopt those. CANDICE HASENYAGER Jaqueline is the project funding staff who is in charge of all of the water banking items so we appreciate all her efforts in that. In addition to what has previously been stated, we are working on a board checklist with everything that will be required in the application. It is my guess that this will be available at the December meeting. We are having 3 pilot projects move forward so we should be getting those applications at some point. From a process procedure regarding the fees, we have to hold a public hearing first just in case there are public comments.

VICE-CHAIR KYLE STEPHENS just a question on the description of the fees, the Legislature specified that fees up to \$5,000 could be collected so what happens if the requests exceed that amount?

CANDICE HASENYAGER yes, we can only accept fees up to \$5,000 and we did consider that when we developed the proposed fees. We are confident we won't hit that amount at this level.

WAYNE ANDERSEN what is the reason for the cap?

CANDICE HASENYAGER that was what the Legislature decided to set that cap at.

WAYNE ANDERSEN I dont understand why the Legislature did that.

DIRECTOR TODD ADAMS it was their determination that they were trying to recuperate some of the costs and put that cost back to the applicants.

WAYNE ANDERSEN but why cap it at \$5,000 if there is a possibility of \$6,000 or even \$10,000? It just seems strange.

RANDY CROZIER that is politics.

CHARLES HOLMGREN I (along with Bear River Canal Company and Bear River Water Conservancy District) have had some discussion with Emily Lewis and there are some issues revolving water banking and split season water right transfers and things like that. These have given us a lot of concern and we are also concerned about the pilot project and how it will impact the State Engineer's office and if they will be able to financially shepherd some of the water through the water bank.

CHAIR BLAINE IPSON I share some of those concerns and it will be interesting to see how it plays out. We all have a lot of questions and not as many answers so we will see where this goes.

Next we will have a brief summary of the Bear River Development report.

MARISA EGBERT I am doing a bit of a different update for this meeting than in the Board Meeting. In the Board Meeting I will be discussing the 2 properties that have been purchased but for now I was going to discuss some of the behind the scenes information that goes beyond the right of way position itself. In the closed meeting, I was planning to discuss some of the properties in different levels of closing.

Two properties have been purchased; one on the residential detention basin and the other was a 65 foot strip on the west end of the Richman Peach Farm. There are five additional properties in various phases of closing. The real estate division of Dept. of Facilities and Construction Management (DFCM) has ordered 2 appraisals and are ordering a Phase 1 ESA (environmental site assessment) that must be done at residential and nonresidential properties. This is a 40 year look at the history of anything that could pose an environmental threat or hazard. Most of these properties will have something because they are close to a rail line. There may be some other things that might pop up.

Risk Management is also under DFCM and they take care of the property owned by Utah and they looked over the 7 properties to look for issues so we can be aware of them. We are also working with them to adjust the lease agreement. There were some hazards that showed up that will be listed in a potential addendum to the lease agreement for those properties. We will also be adjusting the language for the insurance to ensure the owners have their own insurance for their own property on the parcels. The permanent structures will have liability on the land of the parcel.

There are some nonresidential properties that need some clean up and some that are underdeveloped. We got some cost estimates to complete this. For the residential properties, we will be putting out an RFP for a property management company who will deal with rent, maintenance, and inspections. There will be a fee from us to conduct these responsibilities.

CHAIR BLAINE IPSON we will next cover the proposed meetings for 2021 Board Meetings. Are there any comments on those dates?

VICE-CHAIR KYLE STEPHENS the Community Impact Board has a meeting on May 6, 2021 and I would just like to let you and the board aware of that.

SHALAINE DEBERNARDI we did have April 29 set for that meeting but we moved it to May. We could push it back to April.

DIRECTOR TODD ADAMS we can look at other times. These meetings are just for your information so we can account for potential issues and this will be moved upon in December.

CHAIR BLAINE IPSON we can circulate alternate dates before the December meeting so we can take that action.

SHALAINE DEBERNARDI can we discuss the December meeting for the next meeting? Did we want to go ahead and schedule this virtually since SLC leadership put in the request to move back to orange for Covid.

DIRECTOR TODD ADAMS there was a conflict with the AV team for this meeting but they believe they can handle that

We will then have a Director's Report in the board meeting. Some things we will discuss: the Covid measures (the SLC mayor has requested that we move back to orange.

BLAINE IPSON we should keep it on the same day but I think we should plan to have it virtually as long as the AV team can accommodate.

JULIETTE TENNERT we have been doing 10 am and 1 pm meetings but is there a preference to that or should we do it earlier for the December meeting?

DIRECTOR TODD ADAMS we have done both and it depends on the agenda. If you have an agenda that is too long, it can be difficult to get through the discussion and briefing as well as a long board meeting.

In December, we will also have an NRCS water report and generally, we do have the December meeting earlier because of your holiday celebration typically was in the afternoon.

JULIETTE TENNERT I am happy with whatever is decided.

CHAIR BLAINE IPSON it seems that our virtual meetings tend to take longer in general anyways.

CHAIR TODD ADAMS the 5th through the 7th in May are available as I just received notice from the AV team. There is no issue on any of those dates.

CHAIR BLAINE IPSON does May 5th or 7th work for any of the board members?

WAYNE ANDERSEN and NORMAN JOHNSON prefer Wednesday, May 5th. JIM LEMMON, CHARLES HOLMGREN, BLAINE IPSON are good either way but prefer Wednesday.

CHAIR BLAINE IPSON it seems that the consensus is for Wednesday, May 5th. Do we want to do the December meeting earlier?

WAYNE ANDERSEN I prefer morning

CHARLES HOLMGREN either or

VICE-CHAIR KYLE STEPHENS morning

NORMAN JOHNSON either or

RANDY CROZIER morning

JIM LEMMON morning

CHAIR BLAINE IPSON we would need to begin at 8 am on the briefing and 10 am on the board.

DIRECTOR TODD ADAMS we will look at what items are on the meeting and set the times from there.

CHAIR BLAINE IPSON regarding the closed session today, we have been briefed on the requirements. A closed meeting may be held for strategy sessions to discuss the purchase, exchange, or lease of real property (which is what we are doing today). It is also to possibly disclose the appraisal and prevent the public body from completing the transaction on the best possible terms. We will have to announce the closing of the board meeting and move to a closed meeting room (in this case, virtually) and we must have a quorum of the board present. There must also be a motion, a second, and a vote to enter a closed meeting ($\frac{2}{3}$ majority of the quorum present). It will be a separate link for the closed meeting so we need to keep this meeting open and then move into the other, separate meeting. There can be no votes or action in the closed meeting after which we will come back to the main meeting.

MARISA EGBERT it is possible to be in two Google Meet meetings at the same time but my concern is that the microphone works for both meetings so we need to ensure that we are muted in the main meeting before we move to the closed meeting.

SHALAIN DEBERNARDI the AV team will not be broadcasting the main meeting when everyone enters the closed meeting. Just ensure the audio and video is muted or closed.

PAUL GEDGE for those who are entering the closed meeting, the broadcast will be of the cloud scene and any audio or video will be disconnected. We will make sure everyone gets out and back in to the main meeting.

SHALAIN DEBERNARDI the recorded meeting private session is protected and will not be GRAMA-able. They recording will not be included in the main meeting notes or minutes and all that will be included is the date and time of the meeting, those present and absent and all others present. The executive staff, Marisa, Shalaine, Kim, and Marty will be present.

DIRECTOR TODD ADAMS Marty Bushman will be ensuring we are in line with the policies and procedures.

CHAIR BLAINE IPSON yes, we want to make sure that we do this properly.

MARISA EGBERT that is good to know because we want to stay on topic and if Marty and Kim need that link, Shalaine can get that to you.

BLAINE IPSON we are not to take action on any items but we must do so to go into the closed session. Do we need to take action to come out of the closed session?

MARTY BUSHMAN I am not aware of anything that would require you to take action to come out of a closed meeting. This closed meeting is deal with real estate transactions and so any contract that comes out has to be voted on in a public meeting but the strategy sessions can be closed and that is where the "no vote" information is coming from.

MARISA EGBERT this is simply updating the board so they are aware of the transaction being worked on, no voting or action is required.

CHAIR BLAINE IPSON if it is appropriate, I would think that a vote to come out of the closed meeting would be good especially since we are voting to go in to the closed meeting.

WAYNE ANDERSEN yes, when I was mayor we did have a motion to go back into the open meeting after the closed meeting.

RANDY CROZIER would that motion happen in the open meeting?

WAYNE ANDERSEN we make the motion to go into the closed meeting and then make a motion to go back into the open meeting.

CHAIR BLAINE IPSON moving on to information for the board. Regarding the tour for next year, which dates and which board member will be doing the tour? Norm had put off the tour for this year so who will it be.

NORMAN JOHNSON I am open to whatever everyone would like to do. We may not have hotel rooms.

MARISA EGBERT If Covid is over then, we will all like to get away for a bit.

DIRECTOR TODD ADAMS we will work with Norm to get lodging and a tour put together.

CHAIR BLAINE IPSON is there any other information for the board?

DIRECTOR TODD ADAMS I have asked Joel Williams to give a report on the status of funds.

JOEL WILLIAMS shared the update on the status of funds available to the board.

VICE-CHAIR KYLE STEPHENS could there be an additional column that shows when the approval date was? Would it be helpful to have that information there?

JOEL WILLIAMS that is a good suggestion and something we could do.

TODD STONELY Several of the projects are older and the policy is that if a project is authorized but does not go to committal within a certain amount of time, it would need to come back to the board to be reauthorized. Some may need to do that and be dropped off the authorized list.

DIRECTOR TODD ADAMS or moved to the page that shows "additional future funding needs".

SHALAIN DEBERNARDI the Uintah project that was mentioned was authorized in 2013 and would need to be reauthorized if they decide to move forward. Some of the concern on these larger projects, I just received notice from Zions Bank concerning the Provo Canal enclosure project. The Provo River Water

Users Association is planning to pay off the bond to the board. They are issuing new bonds and will be paying \$22 million to the board. We will have additional funds available that we were not planning on.

DIRECTOR TODD ADAMS we have been working on the State Water Plan and we have a draft document that is going through a Department review. It has been delayed but we want to ensure that it is correct. Marty Bushman is now assigned to Water Resources and will be spending most of his time working with Colorado River, Bear River, Interstate Streams, etc that requires additional attention. That will be in addition to Norm Johnson's time from the Attorney General office. The legislative session is coming up and we are watching some bills come up in that future session. Candice has been working hard on water banking, water loss accounting, and water in general so we will continue to work on those things. There will be a water efficiency bill that will hopefully see a committee hearing. We are waiting to hear back on potential building blocks on some dam safety authorizations.

RANDY STAKER if there have been any travel related expenses, please get those in. Some blank forms were sent out but if more are needed, let me know.

DIRECTOR TODD ADAMS they need to be submitted within 30-45 days to be processed quicker.

CHARLES HOLMGREN I was wondering about some propositions on the ballot this fall. Is there an opinion on the water issue on the ballot?

JULIETTE TENNERT Todd sent me the link of the description of that one but I think it sounds pretty straight forward but additional research is good when it comes to a change to the constitution.

DIRECTOR TODD ADAMS we have the hearing with Water Rights for the Water Right Change coming up on October 21st in the afternoon.

VICE-CHAIR KYLE STEPHENS moved to end the meeting, NORMAN JOHNSON seconded and after a roll call vote, all approved and the meeting closed.

The Utah Board of Water Resources meetings are regularly streamed live and are recorded so citizens can watch them later. Please use the following link to access the most recent recordings: <https://goo.gl.UfyPQn>

Unapproved

BOARD OF WATER RESOURCES

MEETING MINUTES

October 8, 2020

Virtual Meeting

Utah Department of Natural Resources

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SUMMARY OF BOARD ACTIONS

October 8, 2020

1. PAGE 1: The minutes from the October 8, 2020 meeting were approved. VICE-CHAIR KYLE STEPHENS moved to approve, JAMES LEMMON seconded, and after a roll call vote, all approved.
2. PAGE 2: RE441 – Provo City - the board authorized 48.4% of the project cost up to \$10,000,000, and that the bonded indebtedness be returned at 1% interest over 20 years with annual payments of approximately \$585,000 (including reserves). WAYNE ANDERSEN moved to approve, NORMAN JOHNSON seconded, and after a roll call vote, all approved and the motion carried.
3. PAGE 3: RE432 - Davis and Weber Counties Canal Company - the board commit 57.4% of the project cost, up to \$3,444,000, and that the project be purchased at 1.49% interest over 30 years, with annual payments of approximately \$143,300. VICE-CHAIR KYLE STEPHENS moved to approve, RANDY CROZIER seconded, and after a roll call vote, all approved and the motion carried.
4. PAGE 3: RE442 – West Milburn Irrigation Company - the board authorized and committed 51.6% of the project cost, up to \$335,000 and that the project be purchased at 0% interest over 25 years with annual payments of approximately \$13,400. VICE-CHAIR KYLE STEPHENS moved to approve, JAMES LEMMON seconded, and after a roll call vote, all approved and the motion carried.
5. PAGE 3: RC046 – Baker Reservoir Irrigation Company - the board committed an additional \$585,000 as a grant and \$65,000 as a loan and amended the agreements to state that the board will provide 90% of the project cost up to \$3,915,000 as a dam safety grant, and 10% of the project cost up to \$435,000 as a loan with the balance to be returned at 0% interest over 25 years with annual payments of approximately \$17,000. JAMES LEMMON moved to approve, VICE-CHAIR KYLE STEPHENS seconded, and after a roll call vote, all approved and the motion carried.
6. PAGE 4: RC064 – Sevier Valley Canal Company - the board committed an additional \$63,000 in dam safety grant and \$7,000 in loan, and amended the agreements to state that the board will provide 90% of the project cost up \$180,000 as a dam safety grant, and 10% of the project cost up to \$20,000 as a loan to be returned at 0% interest over 10 years with annual payments of approximately \$2,000. NORMAN JOHNSON moved to approve, WAYNE ANDERSEN seconded, and after a roll call vote, all approved and the motion carried.
7. PAGE 4: RE368 – Rock Point Canal & Irrigation Company - the board increased the purchase period of the project to 30 years and amended the purchase agreement to state that the project will be purchased at 0% interest over 30 years with one payment of \$30,800 and remaining

annual payments of approximately \$20,200. RANDY CROZIER moved to approve, JAMES LEMMON seconded, and after a roll call vote, all approved and the motion carried.

8. PAGE 4: RE401 – West Porterville Irrigation Company - the board reduced committed funds by \$25,000 and amended the purchase agreement to state that the board will provide 45.3% of the project cost, up to \$971,000 and that the project be purchased at 0% interest over 30 years with annual payments of approximately \$32,400. VICE-CHAIR KYLE STEPHENS moved to approve, RANDY CROZIER seconded, and after a roll call vote, all approved and the motion carried.
9. PAGE 5: RE020 – Center Creek Water System - the board amended the Purchase Agreement to defer all remaining payments by one year, and forgive the interest for 2020. Regular payments will resume in 2021. WAYNE ANDERSEN moved to approve, VICE-CHAIR KYLE STEPHENS seconded, and after a roll call vote, all approved and the motion carried.
10. PAGE 5: Operational Cloud Seeding Program - the board committed up to \$200,000 for the 2020-2021 Operational Cloud Seeding Program, with a maximum state cost-share of 50% with local sponsors. JULIETTE TENNERT moved to approve, RANDY CROZIER seconded, and after a roll call vote, all approved with the exception of CHARLES HOLMGREN who recused himself due to a conflict of interest. The motion carried.
11. PAGE 6: Lake Powell Pipeline Stantec Contract – the board approved the extension of the contract with Stantec by 2 years ending December 31, 2022 and committed an additional \$2,920,000 to fund that contract. JAMES LEMMON moved to approve, NORMAN JOHNSON seconded, and after a roll call vote, all approved and the motion carried.
12. PAGE 7: Water Bank Application Fee - the board adopted the Statutory Water Bank Application fee of \$300 and the Contract Water Bank Application fee of \$200. NORMAN JOHNSON moved to approve, RANDY CROZIER seconded, and after a roll call vote, all approved and the motion carried.
13. PAGE 7: CLOSED MEETING – VICE-CHAIR KYLE STEPHENS moved to enter the closed meeting, NORMAN JOHNSON seconded, and after a roll call vote, all approved (with the exception of JAMES LEMMON, who was excused from the remainder of the meeting).
14. PAGE 8: NORMAN JOHNSON moved to adjourn the meeting, CHARLES HOLMGREN seconded, and after a roll call vote, all approved with the exception of JAMES LEMMON, who was excused from the remainder of the meeting).

THOSE PRESENT

Blaine Ipson, Chair
Kyle Stephens, Vice-Chair
Norman Johnson, Board
Juliette Tennert, Board
Wayne Andersen, Board
Charles Holmgren, Board
James (Jim) Lemmon, Board
Randy Crozier, Board
Todd Adams, Director
Candice Hasenyager, Deputy Director
Joel Williams, Assistant Director
Todd Stonely, Assistant Director
Shalaine Debernardi, Section Manager
Randy Staker, Financial Analyst
Russell Hadley, Engineer
Tom Cox, Engineer
Jake Serago, Engineer
Jaqueline Pacheco, Engineer
Ben Marett, Engineer
Marisa Egbert, Engineer
Marty Bushman, Attorney
Kim Wells, PIO
Carmen McDonald, Engineer Technician
Paul Gedge, AV
Lindsay Russell, Executive Admin
Dave Decker (Provo City)
Jeff Davis (Provo City, Engineer)
Brian LeMon (Provo City, Engineer)
Shane Jones (Provo City, Engineer)
Gary Calder (Provo, Division Director over Water and Wastewater)
Ryan York (Provo, Water Manager)
Jimmy McKnight (Provo, Business Manager)
Raymond Compton (West Milburn Irrigation Company, Secretary/Treasurer)
Layne Jensen (West Milburn Irrigation Company, Engineer)
Ed Bowler (Baker Reservoir Irrigation Company)
Tony George (Rock Point Canal & Irrigation Company)
Leon Kidd (Rock Point Canal & Irrigation Company)
Shirley Slauch (Rock Point Canal & Irrigation Company)
Kip Adams (President, West Porterville Irrigation Company)
Kevin Sweat (Center Creek)
Emily Lewis (Attorney)

BOARD OF WATER RESOURCES
Virtual Meeting Minutes
Department of Natural Resources
October 8, 2020
1:00 pm

1. WELCOME AND APPROVAL OF MINUTES

CHAIR BLAINE IPSON called the meeting to order and read Executive Order 2020-5 from Governor Gary Herbert which stated: Due to the COVID-19 pandemic and the ability of the virus to spread from person to person, Governor Gary Herbert has implemented a number of Executive Orders directed at controlling spread of the virus by minimizing face-to-face interactions. Public gatherings are strongly discouraged by the CDC, State of Utah, and local health departments since they facilitate face-to-face contact and pose an elevated risk for virus transmission. The Division of Water Resources and the Board of Water Resources Chair have determined that public gathering at Board meetings presents a substantial risk to the health and safety of those who attend—and will conduct this meeting using a fully electronic format. This meeting format is authorized by a recent amendment to the Utah Code 1 and Executive Order by Governor Herbert 2 —and will be temporarily used in place of the in-person public meetings that usually occur. Anyone wishing to comment on the meeting’s agenda topics or to observe the meeting may do so by logging on to the Division’s webpage where instructions and links are provided

CHAIR BLAINE IPSON did a roll call and all were present

DIRECTOR TODD ADAMS announced staff and others in the virtual meeting.

CHAIR BLAINE IPSON if you are on a phone, please use *6 to mute and unmute. If you are on a PC, please use CRTD to mute and unmute. Unless you are speaking, please stay muted and when you do speak, please identify yourself.

Approval of minutes, there were 3 small changes on the minutes noted in the briefing meeting. There were no public comments on the minutes. VICE-CHAIR KYLE STEPHENS moved to approve the minutes as discussed, JAMES LEMMON seconded the motion and after a roll call vote, all approved and the motion passed.

2. FEASIBILITY REPORTS

RE441 Provo City

Dave Decker, Jeff Davis (engineer), Brian LeMon (engineer), Shane Jones (engineer), Gary Calder (division director over water and wastewater), Ryan York (water manager), Jimmy McKnight (business manager)

TOM COX presented the Provo City project. The population of Provo City is approximately 126,000 and provides water to 19,600 residential, commercial, industrial, and institutional connections. The water is

from 17 wells, 11 storage tanks, and approximately 400 miles of transmission and distribution pipeline. There is not a separate secondary irrigation system. As the population grows, the city is required to produce more water. They are looking for projects to utilize their Provo River water rights. They are proposing to construct an aquifer storage and recovery (ASR) project that includes two pump stations and over 2.5 mills of ductile iron pipe to carry Provo River water to the mouth of Rock Canyon where it will discharge and infiltrate into the aquifer from which the city wells draw. It is anticipated that about 12,000 acre feet of water will be pumped per year to help recharge the aquifer.

Staff recommends the board authorize 48.4% of the project cost up to \$10,000,000, and that the bonded indebtedness be returned at 1% interest over 20 years with annual payments of approximately \$585,000 (including reserves).

DAVE DECKER this is not just in concept state, the ASR project has been being developed for 2 years. There have been 5 pilot study locations. This particular section of the project is the Rock Canyon ASR site, which is the most promising site. In 2019, it was discovered that around 2,500 gallons a minute were seeping into the ground about $\frac{3}{4}$ of a mile from the mouth of the canyon. Barr Engineering recommended drilling 4 monitoring wells. In spring of 2020, a study was conducted on the culinary water system and over a 12 day period, we discharged more than 20 million gallons into the natural spring when it was not running spring runoff water. That was soaked into the stream bed within about half a mile. The results from the monitoring wells were very promising with more than 70 feet of increase in the aquifer levels in just 12 days.

VICE-CHAIR KYLE STEPHENS can we have further explanation of some of the locations on the map: Where it says Well #1, at 78 feet there was no change in the aquifer but at 101 feet you have 64 feet? Is this correct?

DAVE DECKER we drilled a shallow well and also a deeper well. In the Well #1 location, we have 2 wells very close together so one number represents one well and the other represents the other well. We did this so we could get the water deeper down toward the aquifer and not ponding up or being caught up in the aquatard (clay layer) that might stop the water from getting to the aquifer.

RANDY STAKER there were no public comments on this project.

CHAIR BLAINE IPSON since there were no other comments on this project, we will entertain a motion.

WAYNE ANDERSON moved to approve the project, NORMAN JOHNSON seconded the motion and after a roll call vote, all approved and the motion passed.

3. COMMITMENT OF FUNDS

RE432 Davis and Weber Counties Canal Company

TOM COX this project was authorized in April 2020. The purpose of the project is to enclose approximately 3,400 feet of deteriorating lined and unlined canal and replace about 2,900 feet of corroding steel pipe with precast concrete box culvert or reinforced concrete pipe.

Staff recommends that the board commit 57.4% of the project cost, up to \$3,444,000, and that the project be purchased at 1.49% interest over 30 years, with annual payments of approximately \$143,300.

RANDY STAKER there were no public comments on this project.

CHAIR BLAINE IPSON since there were no other comments on this project, we will entertain a motion.

VICE-CHAIR KYLE STEPHENS moved to approve the project, RANDY CROZIER seconded the motion and after a roll call vote, all approved and the motion passed.

4. SPECIAL ITEMS

RE442 West Milburn Irrigation Company

Raymond Compton (secretary/treasurer), Layne Jensen (engineer)

MARISA EGBERT the project is just west of Milburn and the purpose of the project is to replace over 4 miles of canal with 2.8 miles of pressurized pipe and to facilitate the conversion from flood irrigation to sprinklers. The diversion structure is on the San Pitch River approximately 1.7 miles from Milburn. There are 13 shareholders and 320 acres that they irrigate. The ability to divert the total allowed water right and the seepage loss in the canal are the concerns and reasons why they are wanting to complete this project. They also have a WaterSMART grant for this project.

Staff recommends that the board authorize and commit 51.6% of the project cost, up to \$335,000 and that the project be purchased at 0% interest over 25 years with annual payments of approximately \$13,400.

RAYMOND COMPTON depending on where we are on the 2 week/14 day cycle, some of our property owners do not get the full benefit because the water runs out at the end of the cycle. This project will be much more fair to every property.

CHAIR BLAINE IPSON it is a dry area and this project would be beneficial from my perspective.

RANDY STAKER there were no public comments on this project.

CHAIR BLAINE IPSON since there were no other comments on this project, we will entertain a motion.

VICE-CHAIR KYLE STEPHENS moved to approve the project, JAMES LEMMON seconded the motion and after a roll call vote, all approved and the motion passed.

RC046 Baker Reservoir Irrigation Company

Ed Bowler

TOM COX the Baker Dam was originally built to impound waters of the Santa Clara River to provide irrigation water to nearby cities. The purpose of the project is to complete the minimum state dam safety upgrades on the structure, including constructing a new spillway and crest parapet wall and to install toe drains.

Staff recommends that the board commit an additional \$585,000 as a grant and \$65,000 as a loan and amend the agreements to state that the board will provide 90% of the project cost up to \$3,915,000 as a dam safety grant, and 10% of the project cost up to \$435,000 as a loan with the balance to be returned at 0% interest over 25 years with annual payments of approximately \$17,000.

RANDY STAKER there were no public comments

CHAIR BLAINE IPSON since there were no other comments on this project, we will entertain a motion.

JAMES LEMMON moved to approve the project, VICE-CHAIR KYLE STEPHENS seconded the motion and after a roll call vote, all approved and the motion passed.

RC064 Sevier Valley Canal Company

TOM COX they own and operate Three Creeks Dam. The purpose of this project is to line the leaking corrugated metal outlet pipe of the Three Creeks Dam as part of the necessary dam safety upgrades.

The bids came in higher than what was expected so they are requesting additional funds for the project. Staff recommends that the board commit an additional \$63,000 in dam safety grant and \$7,000 in loan, and amend the agreements to state that the board will provide 90% of the project cost up to \$180,000 as a dam safety grant, and 10% of the project cost up to \$20,000 as a loan to be returned at 0% interest over 10 years with annual payments of approximately \$2,000.

RANDY STAKER there were no public comments on this project.

NORMAN JOHNSON moved to approve the funds for the project, WAYNE ANDERSEN seconded the motion and after a roll call vote, all approved and the motion passed.

RE368 Rock Point Canal & Irrigation Company

Tony George, Leon Kidd, Shirley Slaugh (Rock Point)

TOM COX the funds for this project were committed in May 2017 and the project has been completed but the water users have not achieved the anticipated benefit and have a hard time coming up with the payment amount annually and they are coming to the Board to request an extension.

Staff recommends that the board increase the purchase period of the project to 30 years and amend the purchase agreement to state that the project will be purchased at 0% interest over 30 years with one payment of \$30,800 and remaining annual payments of approximately \$20,200.

TONY GEORGE we are a small canal company and we have around 80 shareholders. The cost for water assessments have increased and the delivery costs have gone up as well. We would just like to extend an extra 10 years.

RANDY STAKER there were no public comments on this project.

RANDY CROZIER moved to approve the amendment to the project, JAMES LEMMON seconded the motion and after a roll call vote, all approved and the motion passed.

RE401 West Porterville Irrigation Company

Kip Adams (President)

BEN MARETT this project was funded in October 2018. They installed the micro hydropower valve and the pipeline has also been installed. The application expects the pond to be completed by Spring 2021. The pipeline and valve were completed under budget. They are requesting the board agree to an 85/15 percent split which is a decrease of the board's overall cost share but increase the percentage share.

Staff recommends that the board reduce committed funds by \$25,000 and amend the purchase agreement to state that the board will provide 45.3% of the project cost, up to \$971,000 and that the project be purchased at 0% interest over 30 years with annual payments of approximately \$32,400.

KIP ADAMS this project has been such a success and we are excited to complete it. We have a great system that was on time and under budget and we appreciate all the help.

VICE-CHAIR KYLE STEPHENS its not often that we have projects under budget so I compliment them for bringing this project in under cost.

RANDY STAKER there were no public comments on this project.

VICE-CHAIR KYLE STEPHENS moved to approve the amendment, RANDY CROZIER seconded the motion and after a roll call vote, all approved and the motion passed.

RE020 Center Creek Water System

Kevin Sweat (Center Creek)

SHALAINE DEBERNARDI in 2005, the board committed funds for this project. Construction was great and most of the project was going well but in 2008, the economic downturn limited their project. They have been saving and have most of the funding to complete the project. They are asking for a deferment of remaining payments for one year and forgive the interest from last year. Regular repayments would start again next year. They are current on their payments.

Staff Recommends that the board amend the Purchase Agreement to defer all remaining payments by one year, and forgive the interest for 2020. Regular payments will resume in 2021.

KEVIN SWEAT we are hoping to complete this project without any additional loans at this time so we are hoping to get this deferment and forgiveness of interest so we can do that. We are ready to start the wellhouse and set the pump.

RANDY STAKER there were no public comments on this project.

WAYNE ANDERSEN moved to approve the purchase agreement, VICE-CHAIR KYLE STEPHENS seconded the motion and after a roll call vote, all approved and the motion passed.

5. NEW APPLICATIONS

RE443 Bench Creek & Sunrise Irrigation Company is a new application and we will discuss that at a future meeting.

6. PLANNING REPORT

JAKE SERAGO gave a report on the cloud seeding activities from the last season as well as an evaluation of the benefit from these activities. The contributions from the lower Basin States and the Colorado River Watershed were also shared and as well as an overview of the budget.

Staff recommends the board commit up to \$200,000 for the 2020-2021 Operational Cloud Seeding Program, with a maximum state cost-share of 50% with local sponsors.

CHARLES HOLMGREN I am a support of cloud seeding in the Bear River Basin, The value of this can greatly enhance the flows into the Great Salt Lake for the preservation of that lake. I find it interesting that the Lower Basin states contribute as much as they do for the Colorado River and expanded the cloud seeding season but our heaviest snowfall in the Bear River Basin came in late November and we missed the opportunity to seed that particular storm. There is a lot of good that comes from this and it is supported by other states.

RANDY STAKER there were no public comments on this item.

CHAIR BLAINE IPSON we have been asked to contribute additional support for this program and will now entertain a motion for this continued support.

JULIETTE TENNERT moved to approve the committal, RANDY CROZIER seconded the motion and after a roll call vote, all approved (with the exception of CHARLES HOLMGREN who recused from the voting due to a conflict of interest, he operated and ground based seeder) and the motion passed.

7. LAKE POWELL PIPELINE REPORT

JOEL WILLIAMS the pipeline has been on the news recently but I want to start with the programmatic agreement that the board will be asked to approve. This is a document that has been prepared through

consulting the state historic preservation office of Utah and Arizona as well as the Bureau of Land Management (BLM) on how to handle historic land and cultural artifacts that may be encountered during construction of the project. This will be discussed at a later date. The water rights change application has been submitted to the Division of Water Rights and the hearing has been scheduled for October 21. The comment period for the draft EIS on September 8th.

DIRECTOR TODD ADAMS we have asked for an extension on this from the BOR but we have not heard back just yet.

JOEL WILLIAMS we are requesting an amendment to the Stantec contract. This will be amendment number 10 and will be for an additional \$2,920,000 over two years ending December 31, 2022. The Bureau of Reclamation and Bureau of Land Management will likely be coming forward with a request for more funds as this additional time is required. We will also be looking to continue our contract with Stantec by two years for that amount.

RANDY STAKER there were no public comments

CHAIR BLAINE IPSON do we have a motion to extend the contract and allocate those funds?

JAMES LEMMON moved to approve the Stantec contract amendment for \$2,920,000 and two additional years, NORMAN JOHNSON seconded the motion and after a roll call vote, all approved and the motion passed.

8. WATER BANKING REPORT

EMILY LEWIS provided an update and overview on Water Banking along with the statute and the application process.

CHARLES HOLMGREN how broad are these water banks going to spread? Will it stay within that basic hydrologic unit or that state Engineer's area where the water rights receive their preliminary numbering?

EMILY LEWIS there are a few checks in place that will dictate the size of these banks. There must be a change application if a water right is going into a water bank. We want to try to have people think locally and at the micro level to start. Best practices will be to assess what specific water rights actually want to be a part of the bank and make the service area amenable to those particular water rights.

CHARLES HOLMGREN if a water right is put into a water bank and it is not put to use, is it protected like a municipal water right?

EMILY LEWIS a water right that has been approved to be in a water bank through an approved change application with the State Engineer, is exempt from beneficial use requirements for as long as that water right stays in the bank. Communication with the bank is important in how that water right is being used.

RANDY STAKER there were no public comments.

EMILY LEWIS I am here to answer questions of clarification as well.

CHAIR BLAINE IPSON we will be next hearing from Jaqueline Pacheco regarding fees and the public hearing on Water Banking.

JAQUELINE PACHECO provided an update on the development of the water banking applications and a checklist for the applicants and a checklist for the Board. The fees were also presented: staff recommends the board adopt the Statutory Water Bank Application fee of \$300 and the Contract Water Bank Application fee of \$200.

RANDY STAKER there were no public comments on this hearing or the fees.

NORMAN JOHNSON moved to approve the water banking fees, RANDY CROZIER seconded the motion and after a roll call vote, all approved and the motion passed.

9. BEAR RIVER DEVELOPMENT REPORT

MARISA EGBERT provided an update on the corridor preservation/right of way acquisition for the Bear River Development. There have been 2 parcels/properties purchased and closed on to this point.

RANDY STAKER there were no public comments.

CHAIR BLAINE IPSON there is not a board action to take on this item so we will move on the proposed schedule for the 2021 meetings. We will take action on this in the next meeting.

RANDY STAKER there were no public comments on that item.

DIRECTOR TODD ADAMS announced the potential dates: January 28, March 17, May 5, June 17, August 5, September 16, October 28, and December 9. There will be a potential tour in the southeast part of Utah on one of those dates as well.

10. DIRECTORS REPORT

DIRECTOR TODD ADAMS the climate report notes that it has been extremely dry. Our reservoir storage is around 60-65% whereas last year it was around 74% last year. The deadline for public comments for the Draft EIS has passed and they will work to find consensus solutions with the states. An extension for the NEPA process has been requested as well. The legislative session is coming up soon and we are watching for economic projections and building block requests.

We are thankful for the continued support and work of the staff of Water Resources. We are also grateful for the hard work the Board does as well. There has been a state employee recognition day signed by the Governor on September 30 and that was a very kind gift to the staff of the State.

VICE-CHAIR KYLE STEPHENS I want to echo what the Director said and thank the state employees for their hard work.

CHAIR BLAINE IPSON I wanted to echo that as well.

RANDY STAKER there were no public comments on this as well.

CHAIR BLAINE IPSON the next item is a closed meeting and we have met the criteria required to hold a closed meeting.

RANDY STAKER there were no public comments on this item

VICE-CHAIR KYLE STEPHENS moved to approve entering the closed meeting, NORMAN JOHNSON seconded the move to approve moving to the closed session, after a roll call vote, all approved with the exception of JAMES LEMMON who was excused from the remainder of the meeting.

11. CLOSED MEETING BEGAN AT 3:46 PM AND OPEN MEETING RECONVENED AT 4:25 PM

A roll call was held and all board members were present with the exception of JAMES LEMMON who was excused from the remainder of the meeting.

DIRECTOR TODD ADAMS the next board meeting will be December 3.

CHAIR BLAINE IPSON thank everyone involved in this board meeting.

NORMAN JOHNSON moved to adjourn the meeting, CHARLES HOLMGREN seconded, and after a roll call vote all approved with the exception of JAMES LEMMON who was excused from the remainder of the meeting.



December 2020