BOARD OF WATER RESOURCES

BOARD MEETING

Salt Lake City

December 6, 2022

PLAN

CONSERVE

DEVELOP

PROTECT

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

2023 Board Meeting Schedule

January

S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
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February

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March

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November

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December

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January 26	Salt Lake City
March 22 (Wed.)	St. George
May 11	Salt Lake City
June 29	Salt Lake City
August 10	TBD
October 5	Salt Lake City
December 5 (Tues)	Salt Lake City

Agenda
Utah Board of Water Resources
Board Briefing Meeting
December 6, 2022
8:00 am

I.WELCOME/CHAIR'S REPORT
*Chair Kyle Stephens

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 6, 2022
8:00 AM Briefing
10:00 AM Board Meeting
Department of Natural Resources Auditorium
1594 W. North Temple, Salt Lake City
Link to presentations and public comment form:
https://water.utah.gov/comments/
Livestream Links:
Briefing Meeting: https://youtu.be/jxdMSlOtmF4
Board Meeting: https://youtu.be/BvtweHQvuHM

APPROVAL OF MINUTES

NRCS SNOW REPORT:
Jordan Clayton

Proj. No.	Applicant	County	Proj. Manager
FEASIBILITY REPORTS:			
RE460	Davis & Weber Counties Canal Company	Davis	Tom Cox
RM004	Cedar Hills City	Provo	Marisa Egbert
COMMITTAL OF FUNDS:			
RM015	North Park Irrigation Company	Cache	Ann Baynard
RM033	Mountain View Irrigation Company	Weber	Russell Hadley
RM073	Hurricane City	Washington	Marisa Egbert
SPECIAL ITEMS:			
RE459	Hodges Irrigation Co. (Expansion of Scope)	Rich	Marisa Egbert

DIRECTOR'S REPORT:

ELECTION OF 2023 BOARD OF WATER RESOURCES OFFICERS:

ADJOURNMENT

BOARD OF WATER RESOURCES

REVOLVING CONSTRUCTION FUND

Funding Status
December 6, 2022

Funds Available for Projects This FY				$ 27,042,000	
Projects Contracted This FY					
1 Consolidated Sevier Bridge Reservoir Co	RC023	**Grant	$ 17,100,000	(Add'l Amt.)	
2 Hodges Irrigation Company	RE459		370,000		
Total Funds Contracted				$ 17,470,000	
Funds Balance				$ 9,572,000	
Projects with Funds Committed					
1 Ashley Central Irrigation Company	RE427		$ 1,000,000		10/28/21
2 Huntsville South Bench Canal Co	RE453		224,500		12/07/21
3 Sunrise & Bench Creek Irrigation Co	RE443		478,000		01/28/21
4 Washington County Flood Contr. Auth. (Warner)	RC049	**Grant	212,000		03/22/17
5 Washington County Flood Contr. Auth. (Stucki)	RC050	**Grant	88,400		03/22/17
6 West Milburn Irrigation Company	RE442		335,000		10/08/20
Total Funds Committed				$ 2,338,000	
Funds Balance				$ 7,234,000	
Projects Authorized					
1 None			$ -		
Total Funds Authorized				$ -	
Remaining Funds Available	(End of year balance if all listed projects were fully paid)			$ 7,234,000	

* To be presented at Board Meeting
** Dam Safety Projects

BOARD OF WATER RESOURCES

CITIES WATER LOAN FUND

Funding Status
December 6, 2022

Funds Available for Projects This FY			$ 17,038,000	
Bonds Closed This FY				
1 None		$ -		
Total Bonds Closed			$ -	
Funds Balance			$ 17,038,000	
Projects with Funds Committed				
1 None		$ -		
Total Funds Committed			$ -	
Funds Balance			$ 17,038,000	
Projects Authorized				
1 Millville City	RL587	$ 1,598,000		12/05/19
Total Funds Authorized			$ 1,598,000	
Remaining Funds Available	(End of year balance if all listed projects were fully paid)		$ 15,440,000	

* To be presented at Board Meeting

BOARD OF WATER RESOURCES

CONSERVATION & DEVELOPMENT FUND

Funding Status
December 6, 2022

Funds Available for Projects This FY					$ 156,155,000	
Projects Contracted/Bonds Closed This FY						
1	Bountiful Irrigation District	RM007	**	$ 3,643,000		
2	Davis & Weber Counties Canal Company	RM003	**	3,643,000		
3	Lehi City	RM001	**	3,643,000		
4	South Weber Water Improvement District	RM009	**	933,000		
	Total Funds Contracted/Closed				$ 11,862,000	
Funds Balance					$ 144,293,000	
Projects with Funds Committed						
1	City of South Salt Lake	RE458		$ 8,500,000		08/04/22
2	Haights Creek Irrigation Company	RM012	**	1,822,000		10/27/22
* 3	Hurricane City	RM073	**	703,000		08/04/22
4	Kanab Irrigation Company	RM046	**	162,000		09/15/22
* 5	Mountain View Irrigation Company	RM033	**	743,000		08/04/22
6	Newton Water Users Association	RM044	**	92,000		09/15/22
7	North Summit Pressurized Irrigation Company	RM055	**	213,000		09/15/22
8	Richmond Irrigation & Power Company	RM010	**	606,000		10/27/22
9	Roy Water Conservancy District	RM075	**	3,643,000		10/27/22
10	Smithfield Irrigation Company	RM054	**	1,020,000		09/15/22
11	South Ogden Conservation District	RM020	**	3,643,000		10/27/22
12	Springdale Consolidated Irrigation Company	RM068	**	190,000		10/27/22
13	Weber-Box Elder Conservation District	RM019	**	3,643,000		10/27/22
14	West Cache Irrigation Company	RE454		1,318,000		10/27/22
15	Willow Creek Irrigation Company	RE444		227,750		12/07/21
	Total Funds Committed				$ 26,526,000	
Funds Balance					$ 117,767,000	
Projects Authorized						
1	Box Elder Cnty & Perry City Flood Control Dist	RE369		$ 660,000		06/18/15
* 2	Davis & Weber Counties Canal Company	RE460		1,530,000		
3	Draper Irrigation Co	RE450		18,700,000		09/16/21
4	Henefer Town	RE431		1,496,000		01/23/20
5	Provo City	RE441		36,750,000		03/23/22
6	Settlement Canyon Irrigation Co (Phase 2)	RE240R2		552,500		10/02/08
7	Summit Creek Irrigation and Canal Co (Phase 4)	RE308		1,198,000	(Add'l Amt.)	03/14/12
8	Veyo Culinary Water Association	RE445		969,000		03/17/21
9	Weber-Box Elder Cons Dist	RE400		1,687,000		08/10/17
10	Woodruff Irrigating Co	RE365		3,200,000		03/18/15
	Total Funds Authorized				$ 66,743,000	

Funds Balance $ 51,024,000

Secondary Meter Projects Authorized

	1	17th North Water Users	RM066	**	$ 99,500		08/04/22
	2	Annabella (Town of)	RM026	**	113,000		08/04/22
	3	Benchland Water District	RM065	**	2,440,000		08/04/22
*	4	Cedar Hills (City of)	RM004	**	655,000		
	5	Centerfield City	RM035	**	402,000		08/04/22
	6	Centerville Deuel Creek Irrigation Company	RM056	**	3,075,000		08/04/22
	7	Coalville City	RM040	**	332,000		08/04/22
	8	Fountain Green Irrigation Co	RM049	**	303,000		08/04/22
	9	Gunnison City	RM028	**	1,030,000		08/04/22
	10	Heber City	RM038	**	1,997,000		08/04/22
	11	Hooper Irrigation Company	RM042	**	798,000		08/04/22
	12	Horseshoe Irrigation Company	RM032	**	259,000		08/04/22
	13	Layton City	RM011	**	1,821,000		08/04/22
	14	Loa Town	RM075	**	97,000		08/04/22
	15	Manti City Creek WUMA	RM034	**	956,000		08/04/22
	16	Mayfield Irrigation Company	RM036	**	253,000		08/04/22
	17	Moroni City	RM059	**	346,000		08/04/22
	18	Nephi Irrigation Company	RM062	**	350,000		08/04/22
	19	Newton Town Sprinkling Company	RM045	**	132,000		08/04/22
	20	North Logan Sprinkling Company	RM030	**	61,000		08/04/22
	21	Paradise Irrigation & Reservoir Company	RM064	**	695,000		08/04/22
	22	Pleasant Grove City	RM043	**	4,250,000		08/04/22
	23	Richards Irrigation Company	RM051	**	145,000		08/04/22
	24	South Davis Water District	RM022	**	1,317,000		08/04/22
	25	Wellington City	RM058	**	484,000		08/04/22
	26	Wolf Creek Irrigation Company	RM067	**	132,600		08/04/22
		Total Funds Authorized				$ 22,543,000	
		Remaining Funds Available	(End of year balance if all listed projects were fully paid)			$ 28,481,000	

* To be presented at Board Meeting
** Secondary Meter Projects

BOARD OF WATER RESOURCES

SMALL SYSTEM SECONDARY METER GRANT FUNDS

Funding Status
December 6, 2022

Funds Available for Projects This FY		$ 2,795,000
Projects Contracted This FY		
1 None	$ -	
Total Funds Contracted		$ -
Funds Balance		$ 2,795,000
Projects with Funds Committed		
None	$ -	
Total Funds Committed		$ -
Funds Balance		$ 2,795,000

* To be presented at Board Meeting

BOARD OF WATER RESOURCES

ARPA SECONDARY METER GRANT FUNDS

Funding Status
December 6, 2022

Funds Available for Projects This FY	$ 250,000,000

Projects Contracted This FY

1	Annabella Town	RM026	$ 475,000	
2	Bountiful Irrigation District	RM007	10,000,000	
3	Browns Meadow Irrigation Association	RM013	189,000	
4	Bluffdale (City of)	RM053	1,063,000	
5	Cedar Hills (City of)	RM004	1,520,000	
6	Davis & Weber Counties Canal Company	RM003	10,000,000	
7	Draper Irrigation Company	RM049	555,000	
8	Green Belt Irrigation Company	RM025	50,400	
9	Hyrum City	RM008	5,000,000	
10	Layton City	RM011	5,000,000	
11	Lehi City	RM001	10,000,000	
12	Lindon City	RM039	758,000	
13	Mayfield Irrigation Company	RM036	696,000	
14	North Dry Creek Irrigation Company	RM018	168,700	
15	Richards Irrigation Company	RM051	398,000	
16	Richmond Irrigation & Power Company	RM010	1,663,000	
17	Riverton City	RM023	8,806,000	
18	Roy Water Conservancy District	RM075	10,000,000	
19	Smithfield City	RM021	287,000	
20	South Ogden Conservation District	RM020	10,000,000	
21	South Weber Irrigation Company	RM052	934,000	
22	South Weber Water Improvement District	RM009	2,562,000	
23	Weber Basin Water Conservancy District	RM005	10,000,000	
24	Weber-Box Elder Conservation District	RM019	10,000,000	
	Total Funds Contracted			$ 100,125,000
	Funds Balance			$ 149,875,000

Projects with Funds Committed

1	17th North Water Users	RM066	$ 273,000	08/04/22
2	American Fork City	RM002	6,559,000	08/04/22
3	Benchland Water District	RM065	5,000,000	08/04/22
4	Birch Creek Irrigation Company	RM057	270,000	08/04/22
5	Castle Valley Special Service District	RM027	5,000,000	08/04/22
6	Center Creek Irrigation Co	RM079	168,000	10/27/22
7	Center Hyde Park Water Pipeline Company	RM063	91,000	08/04/22
8	Centerfield City	RM035	1,102,000	08/04/22
9	Centerville Deuel Creek Irrigation Company	RM056	5,000,000	08/04/22
10	Charleston Irrigation Co	RM078	231,000	10/27/22
11	Coalville City	RM040	910,000	08/04/22
12	Daniel Irrigation Co	RM080	396,000	10/27/22
13	Extension Irrigation Co	RM081	28,000	10/27/22

14	Fountain Green Irrigation Company	RM049	832,000		08/04/22
15	Fruit Heights City	RM061	196,000		08/04/22
16	Green Canyon Sprinkler Co	RM072	389,000		10/27/22
17	Gunnison City	RM028	2,828,000		08/04/22
18	Haights Creek Irrigation Company	RM012	5,000,000		08/04/22
19	Heber City	RM038	5,000,000		08/04/22
20	Highland (City of)	RM016	5,000,000		08/04/22
21	Hooper Irrigation Company	RM042	2,191,000		08/04/22
22	Horseshoe Irrigation Company	RM032	710,000		08/04/22
23	Hurricane City	RM073	1,967,000		08/04/22
24	Kanab Irrigation Company	RM046	445,000		08/04/22
25	Leeds Water Company	RM069	364,000		08/04/22
26	Liberty Irrigation Association	RM041	560,000		08/04/22
27	Loa Town	RM075	266,000		08/04/22
28	Manti City Creek WUMA	RM034	2,623,000		08/04/22
29	Moroni City	RM059	949,000		08/04/22
30	Mountain View Irrigation Company	RM033	2,039,000		08/04/22
31	Newton Town Sprinkling Company	RM045	360,000		08/04/22
32	Newton Water Users Association	RM044	252,000		08/04/22
* 33	North Park Irrigation Company	RM015	245,000		08/04/22
34	North Summit Pressurized Irrigation Company	RM055	584,000		08/04/22
35	Paradise Irrigation & Reservoir Company	RM064	1,908,000		08/04/22
36	Pleasant Grove City	RM043	10,000,000		08/04/22
37	Sage Brush Irrigation Company	RM084	35,000		10/27/22
38	Settlement Canyon Irrigation Company	RM037	490,000		08/04/22
39	Smithfield Irrigation Company	RM054	2,800,000		08/04/22
40	South Davis Water District	RM022	3,615,000		08/04/22
41	South Despain Ditch Company	RM017	345,800		08/04/22
42	Springdale Consolidated Irrigation Company	RM068	417,000		08/04/22
43	Spring Creek Irrigation Co	RM083	78,400		10/27/22
44	Syracuse City	RM029	10,000,000		08/04/22
45	Timpanogos Canal Company	RM060	287,000		08/04/22
46	Town of Springdale	RM076	90,000		10/27/22
47	Upper East Union Irrigation Company	RM031	210,000		08/04/22
48	Wasatch Irrigation Company	RM082	217,000		10/27/22
49	Wellington City	RM058	1,328,000		08/04/22
50	Willow Creek Irrigation Company	RM050	273,000		08/04/22
51	Wolf Creek Irrigation Company	RM067	364,000		08/04/22
	Total Funds Committed			$ 90,286,000	
	Funds Balance			$ 59,589,000	

Projects Authorized

1	Johnson Park Pipeline Company	RM024	$ 114,800		08/04/22
2	Nephi Irrigation Company	RM062	959,000		08/04/22
3	North Logan Sprinkling Company	RM030	168,000		08/04/22
	Total Funds Authorized			$ 1,242,000	
	Funds Balance			$ 58,347,000	

* To be presented at Board Meeting

BOARD OF WATER RESOURCES

December 6, 2022

ADDITIONAL FUTURE FUNDING NEEDS

	Sponsor	No.	Fund	Est. Board Cost	Total Cost	
1	Coyote & East Fork Irrigation Co	RE411	RCF	$ 722,500	$ 1,700,000	08/09/18
2	Daniel Town	RL580	CWL	1,505,000	2,021,000	05/10/18
3	Ferron Canal & Reservoir Co	RE320	C&D	2,720,000	3,200,000	10/11/12
4	Glendale Irrigation Co	RE408	C&D	1,109,000	1,305,000	02/08/18
5	Glenwood Town (NRCS Dam Safety Grant)	RC056	RCF	969,000	3,568,000	05/10/18
6	Hooper Irrigation Co (Press Irr, Ph 3+)	RE060R3	C&D	11,033,000	12,980,000	01/25/02
7	Lehi City	RM074	C&D	3,643,000	4,286,000	07/05/22
8	Morgan City	RL589	CWL	2,552,000	6,004,200	08/19/22
9	Newton Water Users Association	RE461	RCF	390,000	999,500	09/22/22
10	Sanpete WCD (Narrows Dam)	RD377	C&D	29,325,000	34,500,000	04/07/83
11	Uintah WCD	RE316	C&D	36,550,000	43,000,000	10/10/13
12	Weber Basin WCD	RE312	C&D	85,000,000	100,000,000	04/16/12
13	Wellsville-Mendon Conservation District	RE364	C&D	680,000	800,000	03/18/15
	Subtotal			$ 176,199,000	$ 214,364,000	

ADDITIONAL FUTURE ARPA FUNDING NEEDS

	Sponsor	No.	Fund	Est. Board Cost	Total Cost	
1	Lehi City	RM074	ARPA	$ 10,000,000	$ 10,000,000	07/05/22
2	Salem City	RM077	ARPA	1,330,000	2,100,000	06/08/22
	Subtotal			$ 11,330,000	$ 12,100,000	

* New Application

Applicant: **Davis & Weber Counties Canal Company**

Project Number: RE460
Fund: Conservation and Development Fund
Cost Estimate: $3,200,000

Application Received: 9/19/2022
Board Meeting Date: 12/6/2022

Board Member: Kyle Stephens
Project Manager: Tom Cox

Project Summary: The purpose of the project is to enclose approximately 1,400 feet of deteriorating concrete-lined canal with precast concrete box culvert.

Recommendation: Staff recommends the Board authorize 47.8% of the project cost, up to $1,530,000, and that the project be purchased at 2.1% interest over 30 years with annual payments of approximately $69,300.

Project Contacts:

President:
Scott Paxman
138 W. 1300 N.
Sunset, UT 84015
801-771-1677

Manager:
Rick Smith
138 W. 1300 N.
Sunset, UT 84015
801-774-6373

Engineer:
Jon Frazier
J-U-B Engineers
466 N. Kays Drive
Kaysville, UT 84037
801-547-0393

Location

The proposed project is located in Clearfield in Davis County.

Introduction & Background

Davis & Weber Counties Canal Company was organized in 1884 and is registered in "good standing" with the Utah Department of Commerce. It delivers approximately 60,000 acre-feet of water annually to its 40,000-acre service area. This includes wholesale water to Weber Basin Water Conservancy District, Roy Water Conservancy District, Syracuse City, and over 16,000 secondary irrigation connections and approximately 9,000 acres of farm ground. Approximately 3,900 secondary connections are metered and all new residential development is required to have meters installed.

Water is diverted from the Weber River and delivered primarily through the 17.2 mile-long Davis & Weber Canal. Since 1980, the Board has committed approximately $29.6 million to the Applicant for canal improvements, and more than $30.2 million for residential secondary irrigation systems in Clinton, Kaysville, Layton, and West Point. With the aid of Board funding, the Applicant is currently finishing a booster pump facility on its secondary system, enclosing more sections of canal, and installing secondary water meters.

Existing Conditions & Problems

Construction on the Davis & Weber Canal began in 1884, with sections being lined with concrete starting in the 1910's. The Applicant has created a Master Plan detailing the condition of each section of canal and prioritizing needed improvements. It has been active in upgrading the canal. Since 1995, over 75% of the canal has been replaced or rehabilitated.

Sections of the canal remain unlined or have a deteriorating liner. The open canal tends to collect trash and debris and is also a potential safety hazard as it winds through developed areas. In some places, the canal is higher than the adjacent ground and, in others, water from the canal seeps into nearby basements.

Proposed Project

The proposed project will enclose approximately 1,400 feet of deteriorating concrete-lined canal with precast concrete box culvert. It is anticipated that construction will begin in fall 2023. Work can only be completed during the non-irrigation season. Technical assistance is being provided by J-U-B Engineers in Kaysville.

Benefits

The proposed project is estimated to conserve approximately 768 acre-feet of water annually. Operation and maintenance costs are expected to be reduced by an estimated $2,000. Most importantly, it will increase safety by eliminating open canal.

Cost Estimate

The following cost estimate is based on the engineer's preliminary design and has been reviewed by staff:

Item	Description	Quantity	Unit	Unit Price	Total
1	Mobilization	1	LS	$200,000	$200,000
2	Traffic Control	1	LS	20,000	20,000
3	Site Preparation	1	LS	120,000	120,000
4	Remove Existing Concrete Liner	1	LS	50,000	50,000
5	Precast Concrete Box Culvert	1,400	LF	1,275	1,785,000
6	Connections	1	LS	70,000	70,000
7	Structures	1	LS	200,000	200,000
8	Restoration	1	LS	100,000	100,000
				Construction Cost	**$2,545,000**
				Contingency	245,000
				Design & Construction Engineering	380,000
				Legal and Administrative	30,000
				TOTAL	**$3,200,000**

Cost Sharing & Repayment

The recommended cost sharing and repayment are:

Agency	Cost Sharing	% of Total
Board of Water Resources	$1,530,000	47.8%
WaterSMART Grant (WEEG)	1,400,000	43.8
Applicant	270,000	8.4
TOTAL	**$3,200,000**	**100%**

The WaterSMART (WEEG) grant has been awarded for the work to begin in 2023.

Staff recommends the Board authorize 47.8% of the project cost, up to $1,530,000, and that the project be purchased at 2.1% interest over 30 years with annual payments of approximately $69,300.

The Applicant provides both agricultural and secondary irrigation water at an estimated 50/50 split; therefore, the interest rate is an average of the Board's agricultural rate of 1% and the M&I target rate of 3.23%. Previous canal improvement projects funded through the Conservation & Development Fund have had repayment terms of 30 years or more.

Economic Feasibility

The primary purpose of the proposed project is to increase safety. Therefore, it is assumed there is no project alternative and that the benefit/cost ratio is 1.0.

Financial Feasibility

Monetary benefits of the project include approximately $2,000 in reduced operation and maintenance costs, as well as the availability to use approximately 768 acre-feet of conserved water

within its 40,000-acre service area.

Water Rights & Supply

The Applicant holds dozens of water rights for Weber River diversions to irrigate over 40,000 acres. It also has storage rights of 28,000 acre-feet in East Canyon Reservoir and 29,000 acre-feet in Echo Reservoir. The Board holds title to 21 of the Applicant's major water rights from previous projects.

Easements

The proposed project will be constructed within the existing canal alignment. No additional easements will be needed.

Environmental

No long-term environmental impacts are expected due to the project.

Water Conservation

It is estimated that approximately 768 acre-feet of water will be conserved annually by the project, which will be used in the Applicant's service area.

Applicant's Responsibilities

If the Board authorizes the proposed project, the Applicant must do the following before a purchase agreement can be executed:

1. Obtain all easements, rights-of-way, and permits required to construct, operate, and maintain the project.
2. Pass a resolution by the appropriate majority (as defined in the company's Articles of Incorporation and Bylaws) authorizing its officers to do the following:
    a. Assign properties, easements, and water rights required for the project to the Board of Water Resources.
    b. Enter into a contract with the Board of Water Resources for construction of the project and subsequent purchase from the Board.
3. Have an attorney give the Board of Water Resources a written legal opinion that:
    a. The company is legally incorporated for at least the term of the purchase contract and is in good standing with the state Department of Commerce.
    b. The company has legally passed the above resolution in accordance with the requirements of state law and the company's Articles of Incorporation and Bylaws.
    c. The company has obtained all permits required for the project.
    d. The company owns all easements and rights-of-way for the project, as well as the land on which the project is located, and that title to these easements, rights-of-way, and the project itself can be legally transferred to the Board.
    e. The company is in compliance with Sections 73-10-33, 10-9a-211, and 17-27a-211 of the Utah Code governing management plans for water conveyance facilities.
4. Obtain approval of final plans and specifications from the Division of Water Resources.
5. Obtain letters from all outside financing agencies establishing their commitment of funds to the project.

Applicant: **Cedar Hills City**

Project Number: RM004
Fund: Conservation and Development Fund
Total Cost: $2,290,000

Application Received: 4/14/2022
Grant Committed: 8/4/2022
Board Meeting Date: 12/6/2022

Board Member: Wayne Andersen
Project Manager: Marisa Egbert

Project Summary: The purpose of the project is to install approximately 2,070 secondary meters on the pressurized secondary water system.

Recommendation: Staff recommends the Board authorize 28.6% of the project cost, up to $655,000, and that the bonded indebtedness be returned at 1% interest over 15 years with annual payments of approximately $51,000 (including reserves).

Project Contacts:

Mayor:
Denise Andersen
10246 N. Canyon Rd.
Cedar Hills, UT 84062
(801)785-9668

Finance Director:
Charl Louw
10246 N. Canyon Rd.
Cedar Hills, UT 84062
(801)785-9668

City Manager:
Chandler Goodwin
10246 N. Canyon Rd.
Cedar Hills, UT 84062
(801)785-9668

Engineer:
Josh Bean
Bowen Collins & Assoc.
154 E. 14075 S.
Draper, UT 84020
801-438-2000

Location

The proposed project is located in Cedar Hills in Utah County.

Project Summary

The purpose of the project is to install approximately 2,070 secondary meters on the pressurized secondary water system.

The Applicant originally submitted an application for the ARPA grant funding and a loan. However, for the August 2022 Board meeting, the Applicant requested that only funding for the ARPA grant be considered. The Applicant has since confirmed their need for loan funding as well. Additionally, the cost estimate for the project has increased approximately $118,000.

Cost Estimate & Sharing

The committed and proposed cost sharing are:

Agency	Committed Cost Sharing	% of Total	Proposed Cost Sharing	% of Total
Board of Water Resources – Grant	$1,520,000	70%	$1,520,000	66.4%
Board of Water Resources – Loan	0	0	655,000	28.6
Applicant	652,000	30	115,000	5.0
TOTAL	**$2,172,000**	**100%**	**$2,290,000**	**100%**

Staff recommends the Board authorize 28.6% of the project cost, up to $655,000, and that the bonded indebtedness be returned at 1% interest over 15 years with annual payments of approximately $51,000 (including reserves).

Economic Feasibility

The Applicant is required to complete metering of their secondary system by January 1, 2030, according to current state law. As there is no alternative to metering, the benefit-cost ratio is assumed to be 1.0.

Water Rights & Supply

The Applicant obtains secondary irrigation water from wells, Central Utah Water Conservancy District, and Pleasant Grove Irrigation Company.

Easements

Meters will be placed in existing easements held by the Applicant. No additional easements will be required for the proposed project.

Environmental

Since meters will be installed on existing connections, no long-term environmental impacts are

expected.

Applicant's Responsibilities

The Applicant will be required to make all arrangements to sell the Board a non-voted revenue bond, as well as verify it has adequate water rights and rights-of-way to construct the project. If the project is authorized, a full list of requirements and procedures necessary to close the bond will be furnished to the Applicant.

BOARD OF WATER RESOURCES
Committal of Funds

Applicant: **North Park Irrigation Company**

Project Number: RM015
Fund: ARPA Grant
Total Cost: $350,000

Application Received: 5/10/2022
Authorized: 8/4/2022
Board Meeting Date: 12/6/2022

Board Member: Charles Holmgren
Project Manager: Ann Baynard

Project Summary: The purpose of the project is to purchase and install 73 secondary water meters.

Recommendation: Staff recommends the Board commit 70% of the project cost, up to $245,000, as a secondary meter grant.

Staff also recommends the Board withdraw the loan from consideration.

Project Contacts:

President:
Christie Hansen
2250 North 600 East
North Logan, UT 84341
435-752-2440

Secretary/Treasurer:
Eric Hansen
2250 North 600 East
North Logan, UT 84341
801-881-4152

Engineer:
Marianne Reiner, P.E.
Forsgren Associates, Inc
100 South 95 West, Suite 115
Logan, UT 84321
435-227-0333

Location

The proposed project is located in North Logan in Cache County.

Project Summary

The purpose of the project is to purchase and install 73 secondary water meters.

Cost Estimate & Sharing

North Park Irrigation Company has been working with a professional engineer and has updated their cost estimate since authorization. The engineer's updated project cost estimate is $350,000. The Board originally authorized 70% of the total project cost ($225,000), up to $157,500, as a secondary meter grant. The Applicant requests that the Board commit 70% of the updated cost estimate, up to $245,000, as a secondary meter grant.

The Board also authorized 25.5% of the project cost, up to $57,500 as a loan. The Applicant has indicated that they do not want to proceed with the loan, and requests that it be withdrawn from Board consideration.

The authorized and proposed cost sharing is as follows:

Agency	Authorized Cost Sharing	% of Total	Proposed Cost Sharing	% of Total
Board of Water Resources – Grant	$157,500	70%	$245,000	70%
Board of Water Resources – Loan	57,500	25.5	0	0
Applicant	10,000	4.5	105,000	30
TOTAL	**$225,000**	**100%**	**$350,000**	**100%**

Recommendation

Staff recommends <u>the Board commit 70% of the project cost, up to $245,000, as a secondary meter grant.</u>

Staff also recommends <u>the Board withdraw the loan from consideration.</u>

Applicant: **Mountain View Irrigation Inc.**

Project Number: RM033
Fund: Conservation and Development Fund
Total Cost: $2,913,000

Application Received: 5/12/2022
Authorized: 8/4/2022
Board Meeting Date: 12/6/2022

Board Member: Kyle Stephens
Project Manager: Russell Hadley

Project Summary: The purpose of the project is to purchase and install 1,397 secondary water meters.

Recommendation: Staff recommends the Board commit 25.5% of the project cost, up to $743,000, and that the project be purchased at 1% interest over 15 years, with annual payments of approximately $53,600.

Project Contacts:

President:
Randy Marriott
5238 W. 2150 N.
Ogden, UT 84404
801-731-7252

Secretary:
Kami Marriott
1896 N. 3450 W.
Plain City, UT 84404
801-540-3091

Engineer:
Dan White
Gardner Engineering
968 Chambers Street
Ogden, UT 84403
801-476-0202

Location

The proposed project is located in Farr West and Plain City in Weber County.

Project Summary

The purpose of the project is to purchase and install 1,397 secondary water meters.

Cost Estimate & Sharing

The cost estimate and sharing remain as authorized:

Agency	Authorized Cost Sharing	% of Total
Board of Water Resources - Loan	$743,000	25.5%
Board of Water Resources - Grant	2,039,000	70.0
Applicant	131,000	4.5
TOTAL	**$2,913,000**	**100%**

Repayment

Staff recommends the Board commit 25.5% of the project cost, up to $743,000, and that the project be purchased at 1% interest over 15 years, with annual payments of approximately $53,600.

BOARD OF WATER RESOURCES
Committal of Funds

Applicant:	**Hurricane City**
Project Number:	RM073
Fund:	Conservation and Development Fund
Total Cost:	$2,810,000
Application Received:	5/13/2022
Authorized:	8/4/2022
Board Meeting Date:	12/6/2022
Board Member:	James A. Lemmon
Project Manager:	Marisa Egbert
Project Summary:	The purpose of the project is to purchase and install approximately 1,460 secondary meters.
Recommendation:	Staff recommends the Board commit 25% of the project cost, up to $703,000, and that the bonded indebtedness be returned at 1% interest over 15 years with annual payments of approximately $55,000 (including reserves).

Project Contacts:

Mayor:
Nanette Billings
147 N. 870 W.
Hurricane, UT 84737
435-635-2811

Water Superintendent:
Ken Richins
147 N. 870 W.
Hurricane, UT 84737
435-635-9442

Engineer:
Glen Carnahan
Alpha Engineering
45 S. 100 E., Suite 100
St. George, UT 84770
435-628-6500

Location

The proposed project is located in Hurricane in Washington County.

Project Summary

The purpose of the project is to purchase and install approximately 1,460 secondary meters.

Cost Estimate & Sharing

The cost estimate and sharing remain as authorized:

Agency	Authorized Cost Sharing	% of Total
Board of Water Resources – Loan	$703,000	25%
Board of Water Resources - Grant	1,967,000	70
Applicant	140,000	5
TOTAL	**$2,810,000**	**100%**

Repayment

Staff recommends the Board commit 25% of the project cost, up to $703,000, and that the bonded indebtedness be returned at 1% interest over 15 years with annual payments of approximately $55,000 (including reserves).

Applicant: **Hodges Irrigation Company**

Project Number: RE459
Fund: Revolving Construction Fund
Total Cost: $435,000

Application Received: 7/27/2022
Authorized: 8/4/2022
Committed: 8/4/2022
Board Meeting Date: 12/6/2022

Board Member: Charles Holmgren
Project Manager: Marisa Egbert

Summary: The purpose of the original project was to replace about 600 feet of failing open canal with pipe. The project was completed under budget. The company is requesting to use the remaining funds to install an additional 620 feet of pipe.

Recommendation: Staff recommends the Board allow the remaining funds to be used to install an additional 620 feet of pipeline.

Project Contacts:

President:
Norm Mecham
10 S. Bear Lake Blvd.
Garden City, UT 84028
435-757-6278

Secretary:
Lana Hodges
111 W. Hodges Canyon Rd.
Garden City, UT 84028
435-757-4373

Engineer:
Quinn Dance
JUB Engineers
1047 S 100 W #180
Logan, UT 84321
(435) 713-9514

Location

The proposed project is located in Garden City in Rich County.

Project Summary

In July 2022, the Applicant requested financial assistance from the Board to install approximately 600 feet of pipeline in part of their open canal that had failed.

The original project is completed. However, due to the installation of the pipeline, the canal immediately north of the project has experienced overtopping of the canal bank. The property owner below that portion of canal is working with the Applicant in sharing the cost to install approximately 620 feet of additional pipe.

Cost Estimate

The Board committed $370,000 for the original project. The total of the invoices, thus far, is approximately $200,000. The remaining funds of $170,000 are expected to cover the Applicant's share of the costs for the expanded scope.

Staff recommends the Board allow the remaining funds to be used to install an additional 620 feet of pipeline.

Unapproved

BOARD OF WATER RESOURCES

BRIEFING MEETING

MINUTES

OCTOBER 27, 2022

Utah Department of Natural Resources

BOARD OF WATER RESOURCES
Briefing Meeting Minutes
Utah State Capitol
Salt Lake City, UT
October 27, 2022
8:00 am

BOARD MEMBERS PRESENT
Chair Kyle Stephens
Norman Johnson
Charles Holmgren
Jim Lemmon
Blaine Ipson
Juliette Tennert
Randy Crozier
Wayne Andersen is excused due to the death of his father.

STAFF PRESENT
Director Candice Hasenyager
Deputy Director Joel Williams
Assistant Director Todd Stonely
Assistant Director Shalaine DeBernardi
DNR Executive Director Joel Ferry
DNR Deputy Director Todd Adams
Randy Staker
Marisa Egbert
Shannon Clough
Paul Gedge
Carmen McDonald (virtual)
Marty Bushman (virtual)
Russell Hadley
Tom Cox
Steven Gregerson
Aaron Austin
Summer Dawn Shumway
Rebekah Holt

Crystal Ross

OTHERS PRESENT
Diann Cox

CHAIR KYLE STEPHENS called the meeting to order at 8:03 am.

DIRECTOR CANDICE HASENYAGER announced those present

DIRECTOR CANDICE HASENYAGER Received a 15 years Award of Service from DNR DEPUTY DIRECTOR TODD ADAMS.

DNR EXECUTIVE DIRECTOR JOEL FERRY addressed the Board members and congratulated them and the Division of Water Resources on the 75th anniversary.

APPROVAL OF MINUTES:

CHAIR KYLE STEPHENS asked for any changes to be made to the minutes from the last meeting (September 15). Some changes were needed and were given to Shannon Clough before the start of the meeting.

DISCUSSION OF BOARD AGENDA ITEMS:

COMMITTAL OF FUNDS: MARISA EGBERT will be presenting.

The following are all committal of funds for the loan portion of the secondary metering funding, except for West Cache Irrigation Company (RE454). These were authorized in the August meeting. They will be presented at the Board meeting individually. The Town of Annabella (RM026) will not be ready today. They will be at a later meeting, because it is a bond and they still have work to do.

RE454	West Cache Irrigation Company	Cache
RM001	Lehi City	Utah
RM006	Roy Water Conservancy District	Weber
RM007	Bountiful Irrigation District	Davis
RM009	South Weber Water Improvement District	Davis
RM010	Richmond Irrigation & Power Company	Cache
RM012	Haights Creek Irrigation Company	Davis
RM019	Weber-Box Elder Conservation District	Weber
RM020	South Ogden Conservation District	Weber
RM026	Town of Annabella	Sevier
RM068	Springdale Consolidated Irrigation Company	Washington

AUTHORIZATION & COMMITTAL OF FUNDS:

These will be presented as a group and Juliette Tennert will be prepared to make the motion. Ann Baynard will present them.

RM072	Green Canyon Sprinkler Company	Cache
RM076	Town of Springdale	Washington
RM078	Charleston Irrigation Company	Wasatch
RM079	Center Creek Irrigation Company	Wasatch
RM080	Daniel Irrigation Company	Wasatch
RM081	Extension Irrigation Company	Wasatch
RM082	Wasatch Irrigation Company	Wasatch
RM083	Spring Creek Irrigation Company	Wasatch
RM084	Sage Brush Irrigation Company	Wasatch

SPECIAL ITEMS:

These will be presented individually.
Tom Cox and Russell Hadley will be presenting.

Bluffdale City originally requested both the grant and the loan. The grant funds were authorized and committed and the loan funds were authorized. They have decided they do not need the loan funds so the loan portion will be withdrawn.

RE399	Central Utah WCD (Expansion of Scope)	Wasatch
RE416	Davis & Weber Counties Canal Co (Delay Payment)	Davis
RE443	Sunrise and Bench Creek Irr. Co.(Reauth & COF)	Wasatch
RM053	Bluffdale City (Withdrawal of Loan Application)	Salt Lake

CHARLES HOLMGREN West Cache Irrigation Company (RE454) is requesting a repayment term of 35 years, rather than the 30 years authorized.

RUSSELL HADLEY updated the Board about West Cache. Originally, the Board authorized 45.8% of the project cost, up to $940,000, and the project was to be purchased at 0% interest over 30 years with annual payments of approximately $31,400. However, with the increase in cost, the Board's share is over $1 million and it must now be funded through the C&D fund instead of the RCF.

Staff recommends the Board commit 44% of the project cost, up to $1,318,000, and that the project be purchased at 1% interest over 30 years with annual payments of approximately $51,100.

Staff comment: If the Board agrees to the longer repayment term requested by the Applicant, staff recommends the Board commit 44% of the project cost, up to $1,318,000, and that the project be purchased at 1% interest over 35 years with annual payments of approximately $44,900.

TOM COX updated the Board about the Davis and Weber Counties Canal Co (RE416). We are processing the first reimbursement request out of the grants fund. They have purchased the materials, so we are in the process of reimbursement.

TOM COX updated the Board about Lehi City (RM001) getting ready to start construction.

TOM COX updated the Board aboutBountiful Irrigation District. The district just opened bids this last week.

RUSSELL HADLEY updated the Board on Roy Water Conservancy District (RM006). They have been installing meters for a couple of years now and require developers to install meters in new subdivisions. They are ready to go and are moving along.

TOM COX updated the Board about Central Utah WCD (RE399). In October of 2017, the Board committed $5.95 million for a project to line sections of the Timpanogos Canal with concrete or box culvert and to expand and line two irrigation regulating ponds. Due to favorable bids, and donated equipment and clay liner, approximately $1.1 million of bonded Water Resources funds are remaining. The district is in the process of lining an additional 1,400 feet of canal, estimated to cost $1.4 million. The district has requested to use the remaining funds on the additional canal lining.

Staff recommends the Board allow the remaining funds to be used to install an additional 1,400 feet of concrete canal liner.

TOM COX updated the Board about Davis & Weber Counties Canal Co (RE416). The project is still not complete. In April 2020, the Board committed funds for a project to install a pressure boosting station for the secondary irrigation system near Kaysville Reservoir. Although half of the pumps were operational this season, it has taken longer than expected for the contractor to complete the work and the project is not fully functioning. The applicant is requesting the first principal payment be delayed one year until December 2023.

RUSSELL HADLEY updated the Board about In August 2020, Sunrise and Bench Creek Irr. Co (RE443) requested financial assistance from the Board to replace about

7,800 feet of deteriorated corrugated metal pipe and ditch with pipeline and to construct a new inlet structure on the Provo River.
Since that time, material and construction costs have increased substantially. In addition, the applicant has obtained a $500,000 grant from the Utah Department of Agriculture and Food (UDAF). The actual request from the Board has decreased. The terms would stay the same. Staff recommends the Board re-authorize and commit funds for 29.9% of the project cost, up to $478,000, and that the project be purchased at 0% interest over 25 years with annual payments of approximately $19,200.

RM053 Bluffdale City will be withdrawing their loan request.

NEW APPLICATIONS:

TOM COX RE460 Davis and Weber Counties Canal Company.
The applicant is requesting financial assistance from the Board to enclose about 1,370 feet of open canal.

RE461 Newton Water Users Association.
BEN MARETT the project is an extension of their secondary system pipeline going into some new neighborhoods. The applicant is requesting financial assistance from the Board to install approximately 11,500 feet of pipeline.

GSL WATERSHED INTEGRATED WATER ASSESSMENT:
TODD STONELY will give an update to the Board.

DIRECTORS REPORT:
CANDICE HASENYAGER October has been the month of Summits. I will give a report on the four Summits I attended and presented at. I will talk about some of the big happenings on the Great Salt Lake, Bear River and the Colorado River.

INFORMATION TO THE BOARD:

Introduction of three new employees. SUMMER DAWN SHUMWAY introduced CRYSTAL ROSS and BECKY HOLT, with Summer Dawn as their supervisor. These three make up the newly formed Web, IT and Communication section.

STATUS OF FUNDS:

SHALAINE DEBERNARDI There has not been a lot of change from the September meeting on projects with funds committed. We will have some motion in the Conservation & Development fund as we work on secondary meter loans. We got our first project contracted with Davis & Weber Counties. We are excited to have things moving.
We are also excited to see those 12 grant contracts actually completed. We have $60 million in contracts ready to go now and several more on the way. So with what's been

authorized and committed, and with what will come before you today, you can see in the secondary meter funds that we've still got $58 million to be spent.

We are going to open up the third application period for the secondary water meter grants on November 21 and it will run through January 6, 2023

MARISA EGBERT something that we are keeping track of is the Legislative Water Development Commission. We listened in on a discussion from that committee to look at the legislation for secondary meters. Most of the concern was about rural areas and if the companies or towns can be exempt. I know the commission is going to be looking at some of those things and concerns. Just beware we are keeping track of that.

CANDICE HASENYAGER The Division of Water Resources and the Department of Natural Resources has been meeting with Washington County Water Conservancy District in regards to Lake Powell Pipeline. Just like the entire Colorado River community, Washington County faces ongoing shortages in declining water supplies. The State of Utah and Washington County are moving aggressively to develop all of their local water resources through conservation, reuse and potentially even desalinization of the La Verkin hot springs, as well as an agriculture optimization. After full implementation of these aggressive water conservation measures and projects, the State and Washington County remain committed to maintaining it as a component of its long-term water resources plan consistent with future hydrologic conditions on the Colorado River and future water agreements with the Basin States. We know there is continued drought on the Colorado River and now we're seeing levels on Lake Powell and Lake Mead that we have never experienced before. The drought that we are in is estimated to be the worst in a twelve-hundred year period. All the Basin States are trying to wrangle with how we continue to live and survive with this crisis on the river.

December 6th will be our next Board meeting and after we will have our Board Holiday Luncheon.

RANDY CROZIER moved to adjourn the Briefing Meeting.

Adjourned at 9:28 am.

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SUMMARY OF BOARD ACTIONS

OCTOBER 27, 2022

1. Approval of the minutes JIM LEMMON moved to approve the minutes and BLAINE IPSON seconded the motion.

2. RE454 WEST CACHE IRRIGATION COMPANY: CHARLES HOLMGREN made the motion that the Board commit 44% of the project cost, up to $1,318,000, and that the project be purchased at 1% interest over 35 years with annual payments of approximately $44,900. NORM JOHNSON seconded the motion. All voted in favor and the motion passed.

3. RM001 LEHI CITY: JULIETTE TENNERT made the motion that the Board commit 25.5% of the project cost, up to $3,643,000, and that the bonded indebtedness be returned at 1% interest over 15 years with annual payments of approximately $283,000 (includes reserves). RANDY CROZIER seconded the motion. All voted in favor and the motion passed.

4. RM006 ROY WATER CONSERVANCY DISTRICT: BLAINE IPSON made the motion that the Board commit 25.5% of the project cost, up to $3,643,000, and that the bonded indebtedness be returned at 1% interest over 15 years with annual payments of approximately $283,000 (includes reserves). NORM JOHNSON seconded the motion. All voted in favor and the motion passed.

5. RM007 BOUNTIFUL IRRIGATION DISTRICT: BLAINE IPSON made the motion that the Board commit 25.5% of the project cost, up to $3,643,000, and that the bonded indebtedness be returned at 1% interest over 15 years with annual payments of approximately $283,000 (includes reserves). JIM LEMMON seconded the motion. All voted in favor and the motion passed.

6. RM009 SOUTH WEBER WATER IMPROVEMENT DISTRICT: BLAINE IPSON made the motion that the Board commit 25.5% of the project cost, up to $933,000, and that the bonded indebtedness be returned at 1% interest over 15 years with annual payments of approximately $73,000 (includes reserves). RANDY CROZIER seconded the motion. All voted in favor and the motion passed.

7. RM010 RICHMOND IRRIGATION & POWER COMPANY: CHARLES HOLMGREN made the motion that the Board commit 25.5% of the project cost, up to $606,000, and that the project be purchased at 1% interest over 15 years,

with annual payments of approximately $43,800. NORM JOHNSON seconded the motion. All voted in favor and the motion passed.

8. RM012 HAIGHTS CREEK IRRIGATION COMPANY: BLAINE IPSON made the motion that the Board commit 25.5% of the project cost, up to $1,822,000, and that the project be purchased at 1% interest over 15 years, with annual payments of approximately $131,500. JIM LEMMON seconded the motion. All voted in favor and the motion passed.

9. RM019 WEBER-BOX ELDER CONSERVATION DISTRICT: BLAINE IPSON made the motion that the Board commit 25.5% of the project cost, up to $3,643,000, and that the bonded indebtedness be returned at 1% interest over 15 years with annual payments of approximately $283,000 (including reserves). NORM JOHNSON seconded the motion. All voted in favor and the motion passed.

10. RM020 SOUTH OGDEN CONSERVATION DISTRICT: BLAINE IPSON motioned that the Board commit 25.5% of the project cost, up to $3,643,000, and that the bonded indebtedness be returned at 1% interest over 15 years, with annual payments of approximately $283,000 (including reserves). RANDY CROZIER seconded the motion. All voted in favor and the motion passed.

11. RM068 SPRINGDALE CONSOLIDATED IRRIGATION COMPANY: JIM LEMMON motioned the Board to commit 29.7% of the project cost, up to $190,000, and that the project be purchased at 1% interest over 15 years, with annual payments of approximately $13,800. CHARLES HOLMGREN seconded the motion. All voted in favor and the motion passed.

12. Secondary Meter Funding Round 2 applications. Grant funding only. JULIETTE TENNERT motioned that the Board authorize and commit secondary metering grants for Green Canyon Sprinkler Company, Town of Springdale, Charleston Irrigation Company, Center Creek Irrigation Company, Daniel Irrigation Company, Extension Irrigation Company, Wasatch Irrigation Company, Spring Creek Irrigation Company and Sage Brush Irrigation Company according to staff's recommendations. RANDY CROZIER seconded the motion. All voted in favor and the motion passed.

13. RE399 CENTRAL UTAH WCD (Expansion of Scope): JULIETTE TENNERT made the motion that the remaining funds be used to install an additional 1,400 feet of concrete canal liner. CHARLES HOLMGREN seconded the motion. All were in favor and the motion passed.

14. RE416 DAVIS & WEBER COUNTIES CANAL CO (Delay Payment): BLAINE IPSON made the motion to delay principal payments by one year, with an interest-only payment due in December 2022. Principal payments will start in

December 2023. RANDY CROZIER seconded the motion. All were in favor and the motion passed.

15. RE443 SUNRISE AND BENCH CREEK IRR CO (Reauth & COF): JULIETTE TENNERT motioned that the Board re-authorize and commit 29.9% of the project cost, up to $478,000, and that the project be purchased at 0% interest over 25 years with annual payments of approximately $19,200. RANDY CROZIER seconded the motion. All voted in favor and the motion passed.

16. RM053 BLUFFDALE CITY (Withdrawal of Loan Application): JULIETTE TENNERT moved to withdraw the loan application. JIM LEMMON seconded the motion. All voted in favor and the motion passed.

17. CHARLES HOLMGREN motioned to adjourn. The meeting adjourned at 11:55 am.

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 27, 2022

Utah Department of Natural Resources

THOSE PRESENT

BOARD MEMBERS PRESENT
Kyle Stephens, Chair
Juliette Tennert
Blaine Ipson
Norman Johnson
Charles Holmgren
Randy Crozier
James Lemmon

STAFF MEMBERS PRESENT
Candice Hasenyager, Director
Joel Williams, Deputy Director Director
Todd Stonely, Assistant Director
Shalaine Debernardi, Assistant Director
Randy Staker
Tom Cox
Russell Hadley
Ann Merrill
Steven Gregerson
Marisa Egbert
Shannon Clough
Michael Sanchez
Paul Gedge
Carmen McDonald (Virtual)

OTHERS PRESENT
Wade Klinger, President, Sunrise and Bench Creek Irrigation Company
Billie Sue McNeil, Secretary/Treasurer, Sunrise and Bench Creek Irrigation Company
Earl McNeil, Stockholder, Sunrise and Bench Creek Irrigation Company
Rick Smith, General Manager, Davis and Weber Counties Canal Company
Roger Pearson, Area Manager, Central Utah Water Conservancy District
Rodney Hill, General Manager/Treasurer, Haights Creek Irrigation Company
Rodney Banks, General Manager, Roy Water Conservancy District
Shyloh Muhlestein, Meter Supervisor, Lehi City
Dean Lundell, Finance Director, Lehi City
Dave Norman, Public Works Director, Lehi City
Diann Cox

JOINED ONLINE
Matt Borg, President, Green Canyon Sprinkler Co
Jason Ruff, Board Member/Engineer, Green Canyon Sprinkler Co
Chris York, Engineer, CUWCD
DeVaughn Guymon, President, Charleston Irr Co
Kurt Hoffman, Board Member, Center Creek Irr

Hugh Barker (President) & Doug Crittenden (Board Member), Daniel Irr Co
Dave Hutchinson (Board Member), Extension Irr Co and Wasatch Irr Co
Alan Brown (President/Board Member), Spring Creek Irr Co/SageBrush Irr Co
Rick Wixom (Manager), Blaine Worrell (Engineer) & Barbara Bruno (Mayor), Town of Springdale
Mike Spackman (Vice President) & Steve Wood (Engineer), West Cache Irr Co

BOARD OF WATER RESOURCES
MEETING MINUTES
Utah State Capitol
Salt Lake City, Utah
October 27, 2022
10:00 am

CHAIR KYLE STEPHENS called the meeting to order at 10:00 am and announced the Board Members Present.

DIRECTOR CANDICE HASENYAGER announced staff present as well as others present.

APPROVAL OF THE MINUTES

JIM LEMMON moved to approve the minutes and BLAINE IPSON seconded the motion.

COMMITTAL OF FUNDS

RE454 WEST CACHE IRRIGATION COMPANY

RUSSELL HADLEY Project Manager

The proposed project is located in Trenton in Cache County. Since the project was authorized, construction and material costs have increased substantially. The Applicant has received a grant from the Utah Department of Agriculture and Food (UDAF) to cover some of the increased cost, but they still need more from the Board. The additional costs result in a Board share of more than $1,000,000, which means the project must be funded from the Conservation and Development Fund rather than the Revolving Construction Fund. In addition, the funding must be returned at 1% interest, rather than 0% interest. As a result of the increased repayment, the Applicant would like to request a repayment term of 35 years, rather than the 30 years authorized.

Originally, the Board authorized 45.8% of the project cost, up to $940,000, and the project was to be purchased at 0% interest over 30 years with annual payments of approximately $31,400.

Staff recommends the Board commit 44% of the project cost, up to $1,318,000, and that the project be purchased at 1% interest over 30 years with annual payments of approximately $51,100.

Staff comment: If the Board agrees to the longer repayment term requested by the Applicant, staff recommends the Board commit 44% of the project cost, up to $1,318,000, and that the project be purchased at 1% interest over 35 years with annual payments of approximately $44,900.

CHARLES HOLGREN made the motion that the Board commit 44% of the project cost, up to $1,318,000, and that the project be purchased at 1% interest over 35 years with annual payments of approximately $44,900. NORM JOHNSON seconded the motion. All voted in favor and the motion passed.

RM001 LEHI CITY

TOM COX Project Manager.

The purpose of the project is to purchase and install approximately 5,700 secondary meters.

Staff recommends the Board commit 25.5% of the project cost, up to $3,643,000, and that the bonded indebtedness be returned at 1% interest over 15 years with annual payments of approximately $283,000 (includes reserves).

JULIETTE TENNERT made the motion that the Board commit 25.5% of the project cost, up to $3,643,000, and that the bonded indebtedness be returned at 1% interest over 15 years with annual payments of approximately $283,000 (includes reserves). RANDY CROZIER seconded the motion. All voted in favor and the motion passed.

RM006 ROY WATER CONSERVANCY DISTRICT

RUSSELL HADLEY Project Manager.

The purpose of the project is to purchase and install approximately 6,000 secondary meters. Staff recommends the Board commit 25.5% of the project cost, up to $3,643,000, and that the bonded indebtedness be returned at 1% interest over 15 years with annual payments of approximately $283,000 (includes reserves).

BLAINE IPSON made the motion that the Board commit 25.5% of the project cost, up to $3,643,000, and that the bonded indebtedness be returned at 1% interest over 15 years with annual payments of approximately $283,000 (includes reserves). NORM JOHNSON seconded the motion. All voted in favor and the motion passed.

RM007 BOUNTIFUL IRRIGATION DISTRICT
TOM COX Project Manager.

The project is for the secondary meters for the committal of loan funds. They have about 9,700 they need to install. They have bumped up against the $10 million grant maximum, so only about 6,000 meters will be installed. The cost sharing and loan amount have not changed since authorization. Staff recommends the Board commit 25.5% of the project cost, up to $3,643,000, and that the bonded indebtedness be returned at 1% interest over 15 years with annual payments of approximately $283,000 (includes reserves).

BLAINE IPSON made the motion the Board commit 25.5% of the project cost, up to $3,643,000, and that the bonded indebtedness be returned at 1% interest over 15 years with annual payments of approximately $283,000 (includes reserves). JIM LEMMON seconded the motion. All voted in favor and the motion passed.

RM009 SOUTH WEBER WATER IMPROVEMENT DISTRICT

TOM COX Project Manager.

Staff recommends the Board commit 25.5% of the project cost, up to $933,000, and that the bonded indebtedness be returned at 1% interest over 15 years with annual payments of approximately $73,000 (includes reserves).

BLAINE IPSON made the motion that the Board commit 25.5% of the project cost, up to $933,000, and that the bonded indebtedness be returned at 1% interest over 15 years with annual payments of approximately $73,000 (includes reserves). RANDY CROZIER seconded the motion. All voted in favor and the motion passed.

RM010 RICHMOND IRRIGATION & POWER COMPANY

TOM COX Project Manager.

The purpose of the project is to purchase and install approximately 512 secondary water meters. Staff recommends the Board commit 25.5% of the project cost, up to $606,000, and that the project be purchased at 1% interest over 15 years, with annual payments of approximately $43,800.

CHARLES HOLMGREN made the motion that the Board commit 25.5% of the project cost, up to $606,000, and that the project be purchased at 1% interest over 15 years, with annual payments of approximately $43,800. NORM JOHNSON seconded the motion. All voted in favor and the motion passed

RM012 HAIGHTS CREEK IRRIGATION COMPANY

TOM COX Project Manager.

The project is to purchase and install approximately 3,000 secondary water meters. Staff recommends the Board commit 25.5% of the project cost, up to $1,822,000, and

that the project be purchased at 1% interest over 15 years, with annual payments of approximately $131,500.

BLAINE IPSON made the motion that the Board commit 25.5% of the project cost, up to $1,822,000, and that the project be purchased at 1% interest over 15 years, with annual payments of approximately $131,500. JIM LEMMON seconded the motion. All voted in favor and the motion passed

RM019 WEBER-BOX ELDER CONSERVATION DISTRICT

RUSSELL HADLEY Project Manager.

The purpose of the project is to purchase and install approximately 3,320 secondary meters. Staff recommends the Board commit 25.5% of the project cost, up to $3,643,000, and that the bonded indebtedness be returned at 1% interest over 15 years with annual payments of approximately $283,000 (including reserves).

BLAINE IPSON made the motion the Board commit 25.5% of the project cost, up to $3,643,000, and that the bonded indebtedness be returned at 1% interest over 15 years with annual payments of approximately $283,000 (including reserves). NORM JOHNSON seconded the motion. All voted in favor and the motion passed

RM020 SOUTH OGDEN CONSERVATION DISTRICT

RUSSELL HADLEY Project Manager.

The purpose of the project is to purchase and install approximately 3,000 secondary meters. Staff recommends the Board commit 25.5% of the project cost, up to $3,643,000, and that the bonded indebtedness be returned at 1% interest over 15 years, with annual payments of approximately $283,000 (including reserves).

BLAINE IPSON motioned that the Board commit 25.5% of the project cost, up to $3,643,000, and that the bonded indebtedness be returned at 1% interest over 15 years, with annual payments of approximately $283,000 (including reserves). RANDY CROZIER seconded the motion. All voted in favor and the motion passed.

RM026 TOWN OF ANNABELLA

BEN MARETT Project Manager.
Funding postponed. This will be heard at a later meeting.

RM068 SPRINGDALE CONSOLIDATED IRRIGATION COMPANY

TOM COX Project Manager.

The Springdale Consolidated Irrigation Company provides over half of the connections in the town of Springdale in Washington County. The project is to purchase and install approximately 104 secondary and approximately three agricultural water meters. The Board committed $417,000 in grants. That is 65.2% of the project's costs. In August, the Board authorized $190,000, 29.7% of the project cost. This project today is for the committal of the loan funds. Staff recommends the Board commit 29.7% of the project cost, up to $190,000, and that the project be purchased at 1% interest over 15 years, with annual payments of approximately $13,800.

JIM LEMMON motioned the Board to commit 29.7% of the project cost, up to $190,000, and that the project be purchased at 1% interest over 15 years, with annual payments of approximately $13,800. CHARLES HOLMGREN seconded the motion. All voted in favor and the motion passed.

AUTHORIZATION & COMMITTAL OF FUNDS:

Secondary Meter Funding applications (Round 2). Grant funding only.

MARISA EGBERT read a statement prior to presenting the projects.
"Utah is one of the driest states in the nation and the fastest growing. Drinking water sources are limited, in addition potential climate change impacts and the current multi-year drought in Utah threatened water supplies and put public drinking water supplies at risk. Municipalities and water companies need to reduce their water use to stretch their existing drinking water supplies. Many Utah communities have secondary water typically used to irrigate lawns and gardens. Secondary water is not treated to culinary standards and is utilized throughout the state to protect the drinking water supplies. However, many users waste this precious resource because they do not realize how much they are using. Technology has improved over the last decade and allows for the metering of untreated secondary water. Use of water cannot not be measured without metering. Water suppliers have begun installing meters on their secondary water connections. By educating their customers on their measured use compared to the amount they should be using, suppliers have seen as much as a 20 to 30% reduction in use. Secondary metering combined with conservation and education protects the water supplies and allows drinking water providers to plan for their future growth. House Bill 242 states that a secondary water supplier shall install and maintain a meter of the use of pressurized secondary water by each user receiving secondary water service from that supplier by January 1, 2030. The legislature provided $250 million dollars to the Board of Water Resources to help providers meet that requirement. The Board may issue grants up to 70% of the project cost, but are limited to $5 million for providers with 7,000 secondary connections or less and $10 million for providers with more than 7,000 connections. These funds must be contracted by the end of 2024 and spent by the end of 2026. If the Board provides grant funds for a project, the secondary water supplier must submit or update a water conservation plan for its

service area and obtain approval of that plan from the Division of Water Resources staff. In addition, meters purchased with grant money shall allow for data communication between the meter and other devices designed to manage use of secondary water, and the secondary water supplier must agree to provide an educational component to each end user, in either a monthly water user statement or a customer specific internet portal. This education component must promote water conservation and provide information on the customer's secondary water usage."

Presented by ANN BAYNARD

RM072 Green Canyon Sprinkler Company
The project is to purchase and install approximately 200 secondary meters.The Applicant expects to conserve approximately 60 acre-feet. Staff recommends the Board authorize and commit 70% of the project cost, up to $389,000, as a secondary meter grant.

RM076 Town of Springdale
The purpose of the project is to provide grant reimbursement for the eligible portion of the purchase and installation of 93 secondary water meters that were installed last year. The Applicant expects to conserve approximately 23 acre-feet. Staff recommends the Board authorize and commit 70% of the project cost, up to $90,000, as a secondary meter grant.

RM078 Charleston Irrigation Company
The purpose of the project is to purchase and install 115 secondary meters. The Applicant expects to conserve approximately 121 acre-feet. Staff recommends the Board authorize and commit 70% of the project cost, up to $231,000, as a secondary meter grant.

RM079 Center Creek Irrigation Company
The project is to purchase and install approximately 100 secondary meters. The Applicant expects to conserve approximately 50 acre-feet. Staff recommends the Board authorize and commit 70% of the project cost, up to $168,000, as a secondary meter grant.

RM080 Daniel Irrigation Company
The purpose of the project is to purchase and install approximately 240 secondary water meters. The Applicant expects to conserve approximately 90 acre-feet. Staff recommends the Board authorize and commit 70% of the project cost, up to $396,000, as a secondary meter grant.

RM081 Extension Irrigation Company
The purpose of the project is to purchase and install 11 secondary meters. The Applicant expects to conserve approximately 6 acre-feet. Staff recommends the Board authorize and commit 70% of the project cost, up to $28,000, as a secondary meter grant.

RM082 Wasatch Irrigation Company
The purpose of the project is to purchase and install 115 secondary Meters. The Applicant expects to conserve approximately 36 acre-feet. Staff recommends the Board authorize and commit 70% of the project cost, up to $217,000, as a secondary meter grant.

RM083 Spring Creek Irrigation Company
The purpose of the project is to purchase and install 35 secondary meters. The Applicant expects to conserve approximately 25 acre-feet. Staff recommends the Board authorize and commit 70% of the project cost, up to $78,400, as a secondary meter grant.

RM084 Sage Brush Irrigation Company
The purpose of the project is to purchase and install 17 secondary meters. The Applicant expects to conserve approximately 12 acre-feet. Staff recommends the Board authorize and commit 70% of the project cost, up to $35,000, as a secondary meter grant.

JULIETTE TENNERT motioned that the Board authorize and commit secondary metering grants for Green Canyon Sprinkler Company, Town of Springdale, Charleston Irrigation Company, Center Creek Irrigation Company, Daniel Irrigation Company, Extension Irrigation Company, Wasatch Irrigation Company, Spring Creek Irrigation Company and Sage Brush Irrigation Company according to staff's recommendations. RANDY CROZIER seconded the motion. All voted in favor and the motion passed.

SPECIAL ITEMS:

RE399 Central Utah Water Conservancy District (Expansion of Scope)

TOM COX Project Manager

The purpose of the original project was to line sections of the Timpanogos Canal with concrete or box culvert as well as to expand and line two irrigation-regulating ponds. This was completed under budget and the district is requesting to use the remaining funds to line an additional 1,400 feet of canal. Staff recommends the Board allow the remaining funds to be used to install an additional 1,400 feet of concrete canal liner.

JULIETTE TENNERT made the motion that the Board allow the remaining funds to be used to install an additional 1,400 feet of concrete canal liner.
CHARLES HOLMGREN seconded the motion. All were in favor and the motion passed.

RE416 Davis & Weber Counties Canal Co (Delay Payment)

TOM COX Project Manager

The purpose of the project is to install a pressure boosting station to the secondary irrigation system near Kaysville Reservoir. The applicant is requesting its first full (principal) payment be delayed one year because the project is not yet complete. Staff recommends the Board amend the Purchase Agreement to delay principal payments by one year, with an interest-only payment due in December 2022. Principal payments will start in December 2023.

BLAINE IPSON made the motion to delay principal payments by one year, with an interest-only payment due in December 2022. Principal payments will start in December 2023. RANDY CROZIER seconded the motion. All were in favor and the motion passed.

RE443 Sunrise and Bench Creek Irr. Co. (Reauth & COF)

RUSSELL HADLEY Project Manager

In August 2020, the applicant requested financial assistance from the Board to replace about 7,800 feet of deteriorated corrugated metal pipe and ditch with pipeline, and to construct a new inlet structure on the Provo River.
Since that time, material and construction costs have increased substantially. Also, a grant of $500,000 has been obtained by the applicant from the Utah Department of Agriculture and Food (UDAF). Originally, the Board authorized 47.6% of the project cost, up to $580,000, and the project was to be purchased at 0% interest over 25 years with annual payments of approximately $23,200. Staff recommends the Board re-authorize and commit 29.9% of the project cost, up to $478,000, and that the project be purchased at 0% interest over 25 years with annual payments of approximately $19,200.

JULIETTE TENNERT motioned that the Board re-authorize and commit 29.9% of the project cost, up to $478,000, and that the project be purchased at 0% interest over 25 years with annual payments of approximately $19,200. RANDY CROZIER seconded the motion. All voted in favor and the motion passed.

RM053 Bluffdale City (Withdrawal of Loan Application)

MARISA EGBERT The board authorized a loan of $387,000 for the City's secondary meter project, in addition to the $1,063,000 ARPA grant that was committed. Since then, the City has requested that their loan application be withdrawn. They still plan to construct the project and use the grant funds provided. Staff recommends the Board withdraw the loan request from further consideration.

JULIETTE TENNERT moved to make the motion to withdraw the loan application. JIM LEMMON seconded the motion. All voted in favor and the motion passed.

NEW APPLICATIONS:

RE460 Davis and Weber Counties Canal Company Davis Tom Cox

RE461 Newton Water Users Association Cache Ben Marett

These new applications will be heard at a later meeting.

GSL WATERSHED INTEGRATED WATER ASSESSMENT UPDATE:

ASSISTANT DIRECTOR TODD STONELY updated the Board on this project. Average Annual Elevation of Great Salt Lake, from 1903-2022. The legislature is prioritizing the Great Salt Lake trying to preserve this amazing water body and the benefits it provides, and try to prevent the impacts to the environment and public health that would result if it continues to decline and dust becomes a bigger issue. In the 2022 legislative session HB429 Great Salt Lake Amendments was passed. This instructs the Division to prepare The Watershed Integrated Assessment and provides $5 million to do it. Next November 2023 Water Resources will have a work plan. The completed Assessment will be finished by November 2026.

DIRECTOR'S REPORT:

DIRECTOR CANDICE HASENYAGER
We have some exciting news, this last legislative session we were appropriated $5 million dollars for water-wise landscaping rebates. We are anticipating doing a soft launch this Friday October 28, for eligible areas. We will anticipate a full launch through utahwatersavers.com this spring. There is a lot of interest regarding landscaping rebates and it is just another way that we can conserve our precious resources by watering our landscapes as efficiently as possible.
This month has been a month of Summits. There was the One Utah Summit in Cedar City, and the Great Salt Lake Summit in Davis County, both in the same week. Then the next week was the Water Users Summit, in Layton and on that same day there was the Utah Lake Summit in Orem. It has been a whirlwind of traveling around and a lot of speaking opportunities, which gives us the opportunity to get the message out there and based on everything that we're seeing and the current drought conditions it is really water conservation and trying to use our current water supplies as wisely as possible.
Next month we are having our first Growing Water Smart workshop. This is an opportunity that we have been working on to really integrate land use planning and water use planning together. This workshop brings together key community staff and decision makers on water and land use planning. Together they can figure out how they can work and plan for their areas into the future. We had seven applications, which was good. We have six communities that will be attending, Weber County, Summit County, Sandy, Provo, Layton and Eagle Mountain. We are excited to see this take off. We are anticipating another workshop in the spring, 2023.

We have a lot of energy and concerns around the declining Great Salt Lake, and to that end, in the Inflation Reduction Act there was $4 billion set aside/appropriated for areas that are facing drought conditions. It particularly emphasized the Colorado River Basin but it also broadened it to include areas that are facing drought and/or with inland water bodies. Governor Cox, on Oct 4, submitted a letter to Secretary Deb Halland and Commissioner Camille Touton from the Bureau of Reclamation, to outline Utah's priority areas. As a state, we're very interested that this money is going toward durable solutions. We also think that The Great Salt Lake and the issues that we are facing in this watershed should be considered for the funding. The Great Salt Lake was a big focus of that letter.
The Feds came out with their initial program for the Lower Basin States including California, Nevada and Arizona. We have not seen specifically what they are going to do for the Upper Basin States; other than we know they put aside $500 million for Upper Basin projects. They did not put a cap on what they were going to do for the Lower Basin. Therefore, we are still in communication with the Bureau of Reclamation to try to apply for that money as that process is more laid out.
We have a Bear River Commission meeting November 22, and it will take place in Salt Lake. The Technical Advisory Committee is moving ahead with depletion estimates, so hopefully that will be done before the meeting and then there will be a report out.
On the Colorado River, there are continued efforts to work towards the Drought Response Operations Agreement to work with the Bureau to implement that for next year. Also working on the Innovation Modeling Approaches for renegotiations that are being explored by the Colorado River Authority of Utah with input from the Divisions of Water Resources and Water Rights. Also, there are quite a few efforts to reduce the number of small-mouth bass below Glen Canyon Dam.
The Salinity Control Program where I was earlier this week, we continue to focus on three issues to address some of the program funding challenges due to the declining levels in the reservoirs and reduced power revenues. We're exploring options for replacement of the Paradox Valley Unit, this is an area in Colorado that contributes a significant amount of salinity into the Dolores River. And then we're looking at a study for the feasibility of a project for the La Verkin hot springs area.
The Utah Lake Summit and the Great Salt Lake Summit were both recorded and I can send that out for you if you have interests in reviewing those.

CHAIR KYLE STEPHENS I would like to give a shout out to Steven Gregerson. We've seen all of the work that the staff has done to bring these projects forward to the contracting phase and when you get to the end we don't see that much. As the Chairman, I am able to see that. With the use of technology, Steven has gone through and made it available where contracts can be signed and notarized electronically. That has helped speed things up considerably. So thank you Steven for putting that information together and making that available.

CHARLES HOLMGREN motioned to adjourn.
The meeting adjourned at 11:55am.

DECEMBER 2022