BOARD OF WATER RESOURCES

BOARD MEETING

St. George, Utah
March 22, 2023

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
15	16	17	18	19	20	21
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29	30	31				

February						
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March						
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May						
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June						
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July						
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August						
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September						
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October						
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November						
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December						
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31						

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
March 22, 2023
1:30 PM

I.WELCOME/CHAIR'S REPORT
*Chair Juliette Tennert

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
March 22, 2023
1:30 PM Briefing
3:00 PM Board Meeting
Dixie Convention Center, Room: Sunbrook A/B
1835 S. Convention Center Dr, St. George, UT 84790
Link to presentations and public comment form:
https://water.utah.gov/comments/
Livestream Links:
Briefing Meeting: https://youtu.be/HEUbNNSQOLQ
Board Meeting: https://youtu.be/KOiyp4H5yVQ

APPROVAL OF MINUTES

NRCS SNOW REPORT:
Jordan Clayton

Project No.	Applicant	County	Project Manager
COMMITTAL REPORTS:			
RE441	Provo City	Utah	Tom Cox
SECONDARY METER REPORTS (GRANT ONLY):			
RM091	Magna Water District	Salt Lake	Ann Baynard
SECONDARY METER REPORTS (GRANT AND LOAN):			
RM085	Mt. Pleasant City	Sanpete	Ann Baynard
RM086	Morgan Secondary Water Association	Weber	Russell Hadley
RM087	Wanship Irrigation Company #2	Summit	Russell Hadley
RM088	Glenwood Irrigation Company	Sevier	Tom Cox
RM089	Fillmore Water Users Association	Millard	Ben Marett
RM092	Monroe City	Sevier	Tom Cox
RM093	Bloomington Water Company, Inc	Washington	Ben Marett
RM094	Corn Creek Irrigation Company	Millard	Tom Cox
RM095	Cottonwood Gooseberry Irrigation Company	Sanpete	Ann Baynard
RM096	Panguitch City	Garfield	Russell Hadley
RM097	Sand Creek Irrigation Company	Wayne	Marisa Egbert
RM098	Minersville Reservoir and Irrigation Company	Beaver	Marisa Egbert
RM099	Ashley Central Irrigation Company	Uintah	Ben Marett
SECONDARY METER REPORTS (LOAN COMMITTAL):			
RM058	Wellington City	Carbon	Tom Cox

SPECIAL ITEMS:

RE462	Davis & Weber Counties Canal Co. (Auth/Commit)	Davis	Tom Cox
RE464/RM056	Centerville Deuel Creek Irrigation Co. (Funding Mod)	Davis	Ben Marett
RE465/RM038	Heber City (Funding Mod)	Wasatch	Tom Cox
RE466/RM043	Pleasant Grove City (Funding Mod)	Utah	Tom Cox

NEW APPLICATIONS:

RE467	Bear River Canal Company	Box Elder

DIRECTOR'S REPORT:

Candice Hasenyager

ADJOURNMENT

BOARD OF WATER RESOURCES

REVOLVING CONSTRUCTION FUND

Funding Status
March 22, 2023

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.)	07/01/22
2 Hodges Irrigation Company	RE459		370,000		11/28/22
3 Twin Creeks Special Service District	RC067	**Grant	400,000		03/01/23
Total Funds Contracted				$ 17,870,000	
Funds Balance				$ 9,172,000	
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 Newton Water Users Association	RE461		618,000		01/19/23
4 Sunrise & Bench Creek Irrigation Co	RE443		478,000		01/28/21
5 Washington County Flood Contr. Auth. (Warner)	RC049	**Grant	212,000		03/22/17
6 Washington County Flood Contr. Auth. (Stucki)	RC050	**Grant	88,400		03/22/17
7 West Milburn Irrigation Company	RE442		335,000		10/08/20
Total Funds Committed				$ 2,956,000	
Funds Balance				$ 6,216,000	
Projects Authorized					
1 None			$ -		
Total Funds Authorized				$ -	
Remaining Funds Available	(End of year balance if all listed projects were fully paid)			$ 6,216,000	

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

BOARD OF WATER RESOURCES

CITIES WATER LOAN FUND

Funding Status
March 22, 2023

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
March 22, 2023

Funds Available for Projects This FY					$ 156,155,000	
Projects Contracted/Bonds Closed This FY						
1	Bountiful Irrigation District	RM007	**	$ 3,643,000		11/10/22
2	Cedar Hills (City of)	RM004	**	655,000		03/02/23
3	Davis & Weber Counties Canal Company	RM003	**	3,643,000		10/05/22
4	Hurricane City	RM073	**	703,000		12/15/22
5	Layton City	RM011	**	1,821,000		03/09/23
6	Lehi City	RM001	**	3,643,000		11/15/22
7	Roy Water Conservancy District	RM075	**	3,643,000		12/15/22
8	South Ogden Conservation District	RM020	**	3,643,000		02/16/23
9	South Weber Water Improvement District	RM009	**	933,000		02/16/23
10	Springdale Consolidated Irrigation Company	RM068	**	190,000		02/01/23
11	Weber-Box Elder Conservation District	RM019	**	3,643,000		10/27/22
	Total Funds Contracted/Closed				$ 26,160,000	
Funds Balance					$ 129,995,000	
Projects with Funds Committed						
1	City of South Salt Lake	RE458		$ 8,500,000		08/04/22
* 2	Davis & Weber Counties Canal Company	RE462		2,000,000		11/28/22
3	Haights Creek Irrigation Company	RM012	**	1,822,000		10/27/22
* 4	Heber City	RM038	**	1,875,000		03/22/23
5	Kanab Irrigation Company	RM046	**	162,000		09/15/22
6	Mountain View Irrigation Company	RM033	**	743,000		12/06/22
7	Newton Water Users Association	RM044	**	92,000		09/15/22
8	North Summit Pressurized Irrigation Company	RM055	**	213,000		09/15/22
* 9	Pleasant Grove City	RM043	**	3,825,000		03/22/23
* 10	Provo City	RE441		36,750,000		03/23/22
11	Richmond Irrigation & Power Company	RM010	**	606,000		10/27/22
12	Smithfield Irrigation Company	RM054	**	1,020,000		09/15/22
* 13	Wellington City	RM058	**	484,000		03/22/23
14	West Cache Irrigation Co	RE454		1,318,000		10/27/22
15	Willow Creek Irrigation Company	RE444		227,750		12/07/21
	Total Funds Committed				$ 59,638,000	
Funds Balance					$ 70,357,000	
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		12/06/22
3	Draper Irrigation Co	RE450		18,700,000		09/16/21
4	Henefer Town	RE431		1,496,000		01/23/20
5	Veyo Culinary Water Association	RE445		969,000		03/17/21

6	Weber-Box Elder Cons Dist	RE400		1,687,000		08/10/17
7	Woodruff Irrigating Co	RE365		3,200,000		03/18/15
	Total Funds Authorized				$ 28,242,000	
	Funds Balance				$ 42,115,000	

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	Ashley Central Irrigation Company	RM099	**	33,400		03/22/23
4	Benchland Water District	RM065	**	2,440,000		08/04/22
* 5	Bloomington Water Company	RM093	**	365,000		03/22/23
6	Centerfield City	RM035	**	402,000		08/04/22
* 7	Centerville Deuel Creek Irrigation Company	RM056	**	2,199,000		03/22/23
8	Coalville City	RM040	**	332,000		08/04/22
* 9	Corn Creek Irrigation Company	RM094	**	304,000		03/22/23
* 10	Cottonwood Gooseberry Irrigation Company	RM095	**	840,000		03/22/23
* 11	Fillmore Water Users Association	RM089	**	395,000		03/22/23
12	Fountain Green Irrigation Co	RM049	**	303,000		08/04/22
* 13	Glenwood Irrigation Company	RM088	**	280,000		03/22/23
14	Gunnison City	RM028	**	1,030,000		08/04/22
15	Hooper Irrigation Company	RM042	**	798,000		08/04/22
16	Horseshoe Irrigation Company	RM032	**	259,000		08/04/22
17	Liberty Irrigation Association	RM041	**	204,000		01/19/23
18	Loa Town	RM075	**	97,000		08/04/22
19	Manti City Creek WUMA	RM034	**	956,000		08/04/22
20	Mayfield Irrigation Company	RM036	**	253,000		08/04/22
* 21	Minersville Reservoir and Irrigation Company	RM098	**	182,000		03/22/23
* 22	Monroe City	RM092	**	780,000		03/22/23
* 23	Morgan Secondary Water Association	RM086	**	640,000		03/22/23
24	Moroni City	RM059	**	346,000		08/04/22
* 25	Mt. Pleasant City	RM085	**	729,000		03/22/23
26	Nephi Irrigation Company	RM062	**	350,000		08/04/22
27	Newton Town Sprinkling Company	RM045	**	132,000		08/04/22
28	North Logan Sprinkling Company	RM030	**	61,000		08/04/22
* 29	Panguitch City	RM096	**	472,000		03/22/23
30	Paradise Irrigation & Reservoir Company	RM064	**	695,000		08/04/22
31	Richards Irrigation Company	RM051	**	145,000		08/04/22
* 32	Sand Creek Irrigation Company	RM097	**	107,000		03/22/23
33	South Davis Water District	RM022	**	1,317,000		08/04/22
* 34	Wanship Irrigation Company #2	RM087	**	130,000		03/22/23
35	Wolf Creek Irrigation Company	RM067	**	132,600		08/04/22
	Total Funds Authorized				$ 17,922,000	
	Remaining Funds Available	(End of year balance if all listed projects were fully paid)			$ 24,193,000	

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

BOARD OF WATER RESOURCES

SMALL SYSTEM SECONDARY METER GRANT FUNDS

Funding Status
March 22, 2023

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				
* 1 Centerville Deuel Creek Irrigation Company	RE464	$ 1,034,000		03/22/23
* 2 Heber City	RE465	145,000		03/22/23
* 3 Pleasant Grove City	RE466	500,000		03/22/23
Total Funds Committed			$ 1,679,000	
Funds Balance			$ 1,116,000	

* To be presented at Board Meeting

BOARD OF WATER RESOURCES

ARPA SECONDARY METER GRANT FUNDS

Funding Status
March 22, 2023

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

Projects Contracted This FY

1	Annabella Town	RM026	$ 475,000	10/14/22
2	Benchland Water District	RM065	5,000,000	03/15/23
3	Birch Creek Irrigation Company	RM057	270,000	01/09/23
4	Bluffdale (City of)	RM053	1,063,000	10/14/22
5	Bountiful Irrigation District	RM007	10,000,000	10/14/22
6	Browns Meadow Irrigation Association	RM013	189,000	10/14/22
7	Cedar Hills (City of)	RM004	1,520,000	10/12/22
8	Davis & Weber Counties Canal Company	RM003	10,000,000	10/05/22
9	Draper Irrigation Company	RM049	555,000	10/06/22
10	Extension Irrigation Co	RM081	28,000	02/22/23
11	Green Belt Irrigation Company	RM025	50,400	11/08/22
12	Green Canyon Sprinkler Co	RM072	389,000	02/08/23
13	Gunnison City	RM028	2,828,000	03/03/23
14	Haights Creek Irrigation Company	RM012	5,000,000	01/27/23
15	Highland (City of)	RM016	5,000,000	12/08/22
16	Hyrum City	RM008	5,000,000	10/12/22
17	Kanab Irrigation Company	RM046	445,000	02/21/23
18	Layton City	RM011	5,000,000	11/08/22
19	Lehi City	RM001	10,000,000	11/08/22
20	Lindon City	RM039	758,000	11/01/22
21	Manti City Creek WUMA	RM034	2,623,000	12/07/22
22	Mayfield Irrigation Company	RM036	696,000	11/21/22
23	Moroni City	RM059	949,000	03/16/23
24	Mountain View Irrigation Company	RM033	2,039,000	01/24/23
25	North Dry Creek Irrigation Company	RM018	168,700	11/28/22
26	North Park Irrigation Company	RM015	245,000	02/22/23
27	Richards Irrigation Company	RM051	398,000	10/31/22
28	Richmond Irrigation & Power Company	RM010	1,663,000	10/14/22
29	Riverton City	RM023	8,806,000	10/17/22
30	Roy Water Conservancy District	RM075	10,000,000	10/25/22
31	Sage Brush Irrigation Company	RM084	35,000	02/08/23
32	Smithfield City	RM021	287,000	11/10/22
33	South Davis Water District	RM022	3,615,000	03/10/23
34	South Ogden Conservation District	RM020	10,000,000	10/17/22
35	South Weber Irrigation Company	RM052	934,000	10/20/22
36	South Weber Water Improvement District	RM009	2,562,000	11/14/22
37	Spring Creek Irrigation Co	RM083	78,400	01/27/23
38	Springdale Consolidated Irrigation Company	RM068	417,000	12/30/22
39	Upper East Union Irrigation Company	RM031	210,000	02/24/23
40	Wasatch Irrigation Company	RM082	217,000	02/22/23
41	Weber Basin Water Conservancy District	RM005	10,000,000	10/31/22
42	Weber-Box Elder Conservation District	RM019	10,000,000	10/17/22

Total Funds Contracted	$ 129,514,000
Funds Balance	$ 120,486,000

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	Ashley Central Irrigation Company	RM099	91,700	03/22/23
*	4	Bloomington Water Company	RM093	1,002,000	03/22/23
	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	Corn Creek Irrigation Company	RM094	834,000	03/22/23
*	13	Cottonwood Gooseberry Irrigation Company	RM095	2,305,000	03/22/23
	14	Daniel Irrigation Co	RM080	396,000	10/27/22
*	15	Fillmore Water Users Association	RM089	1,085,000	03/22/23
	16	Fountain Green Irrigation Company	RM049	832,000	08/04/22
	17	Fruit Heights City	RM061	196,000	08/04/22
*	18	Glenwood Irrigation Company	RM088	770,000	03/22/23
	19	Heber City	RM038	5,000,000	08/04/22
	20	Hooper Irrigation Company	RM042	2,191,000	08/04/22
	21	Horseshoe Irrigation Company	RM032	710,000	08/04/22
	22	Hurricane City	RM073	1,967,000	08/04/22
	23	Leeds Water Company	RM069	364,000	08/04/22
	24	Liberty Irrigation Association	RM041	560,000	08/04/22
	25	Loa Town	RM075	266,000	08/04/22
*	26	Magna Water District	RM091	350,000	03/22/23
*	27	Minersville Reservoir and Irrigation Company	RM098	500,000	03/22/23
*	28	Monroe City	RM092	2,022,000	03/22/23
*	29	Morgan Secondary Water Association	RM086	1,757,000	03/22/23
*	30	Mt. Pleasant City	RM085	2,002,000	03/22/23
	31	Newton Town Sprinkling Company	RM045	360,000	08/04/22
	32	Newton Water Users Association	RM044	252,000	08/04/22
	33	North Summit Pressurized Irrigation Company	RM055	584,000	08/04/22
*	34	Panguitch City	RM096	1,295,000	03/22/23
	35	Paradise Irrigation & Reservoir Company	RM064	1,908,000	08/04/22
	36	Pleasant Grove City	RM043	10,000,000	08/04/22
	37	Salem City	RM077	2,590,000	01/19/23
*	38	Sand Creek Irrigation Company	RM097	294,000	03/22/23
	39	Settlement Canyon Irrigation Company	RM037	490,000	08/04/22
	40	Smithfield Irrigation Company	RM054	2,800,000	08/04/22
	41	South Despain Ditch Company	RM017	345,800	08/04/22
	42	Springdale, Town of	RM076	90,000	10/27/22
	43	Syracuse City	RM029	10,000,000	08/04/22
	44	Timpanogos Canal Company	RM060	287,000	08/04/22
*	45	Wanship Irrigation Company #2	RM087	357,000	03/22/23
	46	Wellington City	RM058	1,328,000	08/04/22
	47	Willow Creek Irrigation Company	RM050	273,000	08/04/22
	48	Wolf Creek Irrigation Company	RM067	364,000	08/04/22

Total Funds Committed			$ 78,153,000	
Funds Balance			$ 42,333,000	

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			$ 41,091,000	

* To be presented at Board Meeting

BOARD OF WATER RESOURCES

March 22, 2023

ADDITIONAL FUTURE FUNDING NEEDS

		Sponsor	No.	Fund	Est. Board Cost	Total Cost	
*	1	Bear River Canal Company	RE467	RCF	$ 245,000	$ 500,000	01/19/23
	2	Coyote & East Fork Irrigation Co	RE411	RCF	722,500	1,700,000	08/09/18
	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	Morgan City	RL589	CWL	2,552,000	6,004,200	08/19/22
	8	Sanpete WCD (Narrows Dam)	RD377	C&D	29,325,000	34,500,000	04/07/83
	9	Settlement Canyon Irrigation Co (Phase 2)	RE240	C&D	552,500	650,000	10/02/08
	10	Summit Creek Irrigation and Canal Co (Phase 4)	RE308	C&D	1,198,000	1,500,000	03/14/12
	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			$ 172,656,000	$ 209,707,000	

* New Application

BOARD OF WATER RESOURCES
Committal of Funds

Applicant: **Provo City**

Project Number: RE441
Fund: Conservation and Development Fund
Total Cost: $96,000,000

Application Received: 5/29/2020
Authorized: 3/23/2022
Board Meeting Date: 3/22/2023

Board Member Area: Provo River District
Project Manager: Tom Cox

Project Summary: The purpose of the project is to install approximately 12,000 feet of pipeline and pump station to provide water for aquifer storage and recovery (ASR) and construct a 20 million gallon per day (MGD) water treatment facility.

Recommendation: Staff recommends the Board commit 38.3% of the project cost, up to $36,750,000, and that the bonded indebtedness be returned at 1% interest over 30 years with annual payments of approximately $1,479,000 (includes reserves).

Project Contacts:

Mayor:
Michelle Kaufusi
351 W. Center St.
Provo, UT 84601
801-852-6105

City Engineer:
Shane Jones
1377 S. 350 E.
Provo, UT 84606
801-852-6773

Engineer:
Brian LeMon
Barr Engineering
170 S. Main St, Ste 500
Salt Lake City, UT 84101
612-669-6797

Location

The proposed project is located in Provo in Utah County.

Project Summary

The purpose of the project is to install approximately 12,000 feet of pipeline and a pump station to provide water for aquifer storage and recovery and construct a 20 MGD water treatment facility.

Cost Estimate & Sharing

The cost estimate and Board's cost sharing remain as authorized:

Agency	Authorized Cost Sharing	% of Total	Proposed Cost Sharing	% of Total
Board of Water Resources	$36,750,000	38.3%	$36,750,000	38.3%
Drinking Water Board Loan	36,750,000	38.3	0	0.0
WaterSMART Grant	1,500,000	1.5	1,500,000	1.5
BRIC Grant	12,000,000	12.5	51,000,000	53.1
Applicant	9,000,000	9.4	6,750,000	7.1
TOTAL	**$96,000,000**	**100%**	**$96,000,000**	**100%**

Repayment

Staff recommends the Board commit 38.3% of the project cost, up to $36,750,000, and that the bonded indebtedness be returned at 1% interest over 30 years with annual payments of approximately $1,479,000 (includes reserves).

Applicant Request

The Applicant requests a waiver of the requirement to prohibit landscape watering between 10:00 am and 6:00 pm.

Provo City has not mandated this practice in ordinance and wishes to be excused from this requirement for the following reasons:

1. There are several areas in the city where pressures are marginal and watering during periods of high demand results in watering inefficiencies. The natural reaction is for residents to water more often and longer, which can translate into overuse of water.

2. With drip irrigation becoming more prevalent, the advantages of watering at night diminish as drip irrigation isn't as susceptible to evaporation losses as spray irrigation might be.

BOARD OF WATER RESOURCES
Secondary Meter Report

Applicant: **Magna Water District**

Project Number: RM091
Fund: ARPA Grant
Cost Estimate: $500,000

Application Received: 1/6/2023
Board Meeting Date: 3/22/2023

Board Member: Juliette Tennert
Project Manager: Ann Baynard

Project Summary: The purpose of the project is to purchase and install 1,000 secondary water meters.

Recommendation: Staff recommends the Board authorize and commit 70% of the project cost, up to $350,000, as a secondary meter grant.

Project Contacts:

General Manager:
Clint Dilley, PE
8885 West 3500 South
Magna, UT 84044
801-801-250-2118

Secretary:
Lelsle Fitzgerald
8885 West 3500 South
Magna, UT 84044
801-250-2118

Engineer:
Trevor Andra
8885 West 3500 South
Magna, UT 84044
801-250-6279

Location

The proposed project is located in Magna in Salt Lake County.

Project Summary

Utah is one of the driest states in the nation, one of the fastest-growing, and drinking water sources are limited. In addition, potential climate change impacts and the current multi-year drought in Utah threaten 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 also 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. The State of Utah believes that it is critical to invest in water conservation, water metering, and dual water pipe and secondary water distribution systems to protect potable drinking water supplies. This will also help lower the cost of treating drinking water and make it more cost-effective by decreasing the amount of water that needs to be treated to potable standards.

Technology has improved over the last decade and allows for the metering of untreated secondary water. Individual water use cannot be measured without metering, so 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 20-30% reduction in use. Secondary metering, combined with conservation and education, protects the drinking water supplies and allows drinking water providers to plan for their future growth.

The Applicant is requesting funding to purchase and install 1,000 secondary water meters.

The Applicant has 1,500 secondary connections. About 500 connections are already metered. The average lot size is 0.25 acre, with about 0.15 acre irrigated. The Applicant expects to conserve about 200 acre-feet of water upon completion of the project.

Construction is expected to begin spring 2023 and be completed by fall 2023. Engineering services are being provided by Magna Water District.

Cost Estimate & Sharing

The estimated cost of the project is $500,000**.** The recommended cost sharing is as follows:

Agency	Cost Sharing	% of Total
Board of Water Resources - Grant	$350,000	70%
Applicant	150,000	30
TOTAL	**$500,000**	**100%**

Staff recommends <u>the Board authorize and commit 70% of the project cost, up to $350,000, as a secondary meter grant.</u>

BOARD OF WATER RESOURCES
Secondary Meter Report

Applicant: **Mt. Pleasant City**

Project Number: RM085
Fund: ARPA Grant
Conservation and Development Fund
Cost Estimate: $2,860,000

Application Received: 12/16/2022
Board Meeting Date: 3/22/2023

Board Member: Blaine Ipson
Project Manager: Ann Baynard

Project Summary: The purpose of the project is to purchase and install 1,400 secondary water meters.

Recommendation: Staff recommends the Board authorize and commit 70% of the project cost, up to $2,002,000, as a secondary meter grant.

Staff also recommends the Board authorize 25.5% of the project cost, up to $729,000, as a loan, and that the bonded indebtedness be returned at 1% interest over 15 years with annual payments of approximately $57,000 (including reserves).

Project Contacts:

Mayor:
Mike Olsen
106 W. Main Street
Mt. Pleasant, UT 84647
435-462-2456

Finance Director:
Dave Oxman
106 W. Main Street
Mt. Pleasant, UT 84647
435-462-2456

Engineer:
Tracy Allen
J-U-B Engineers
466 N. 900 W.
Kaysville, UT 84037
801-547-0393

Location

The proposed project is located in Mt. Pleasant City in Sanpete County.

Project Summary

Utah is one of the driest states in the nation, one of the fastest-growing, and drinking water sources are limited. In addition, potential climate change impacts and the current multi-year drought in Utah threaten 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 also 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. The State of Utah believes that it is critical to invest in water conservation, water metering, and dual water pipe and secondary water distribution systems to protect potable drinking water supplies. This will also help lower the cost of treating drinking water and make it more cost-effective by decreasing the amount of water that needs to be treated to potable standards.

Technology has improved over the last decade and allows for the metering of untreated secondary water. Individual water use cannot be measured without metering, so 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 20-30% reduction in use. Secondary metering, combined with conservation and education, protects the drinking water supplies and allows drinking water providers to plan for their future growth.

The Applicant is requesting funding to purchase and install 1,400 secondary water meters.

The Applicant has 1,400 secondary connections. None of the connections are metered. The average lot size is 0.60 acre, with about 0.35 acre irrigated. The Applicant expects to conserve about 1,120 acre-feet of water upon completion of the project.

Construction is expected to begin fall 2023 and be completed by fall 2024. Engineering services are being provided by J-U-B Engineers.

Cost Estimate & Sharing

The estimated cost of the project is $2,860,000. The recommended cost sharing is as follows:

Agency	Cost Sharing	% of Total
Board of Water Resources - Grant	$2,002,000	70.0%
Board of Water Resources - Loan	729,000	25.5
Applicant	129,000	4.5
TOTAL	**$2,860,000**	**100%**

Staff recommends <u>the Board authorize and commit 70% of the project cost, up to $2,002,000, as a secondary meter grant.</u>

Staff also recommends the Board authorize 25.5% of the project cost, up to $729,000, as a loan, and that the bonded indebtedness be returned at 1% interest over 15 years with annual payments of approximately $57,000 (including reserves).

Economic Feasibility

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

Water Rights & Supply

The following list of water rights was provided with the application for financial assistance and is provided here for reference:

Water Right Number	Flow / Volume (cfs / ac-ft)
65-16	14.0 cfs
65-2291	13.6 cfs
65-3147	31.2 cfs

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

If the Board provides grant funds for the project the Applicant must:

- Submit or update a water conservation plan for its service area.
    - Obtain approval of it from the Division of Water Resources.
- Agree to provide an educational component to each end user, either in a monthly water use statement or a customer specific internet portal which:
    - Promotes water conservation
    - Provides information on the customer's secondary water usage

If the Board authorizes the loan funds, 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
Secondary Meter Report

Applicant: **Morgan Secondary Water Association**

Project Number: RM086
Fund: ARPA Grant
Conservation and Development Fund

Cost Estimate: $2,510,000

Application Received: 12/28/2022
Board Meeting Date: 3/22/2023

Board Member: Kyle Stephens
Project Manager: Russell Hadley

Project Summary: The purpose of the project is to purchase and install 840 secondary meters.

Recommendation: Staff recommends the Board authorize and commit 70% of the project cost, up to $1,757,000, as a secondary meter grant.

Staff also recommends the Board authorize 25.5% of the project cost, up to $640,000, and that the project be purchased at 1% interest over 15 years with annual payments of approximately $46,200.

Project Contacts:

President:
Walter Boyce
PO Box 125
Morgan, UT 84050
801-821-6844

Secretary:
Darcie Harris
PO Box 1064
Morgan, UT 84050
801-829-4424

Engineer:
Matthew Crump
J-U-B Engineers
466 North 900 West
Kaysville, UT 84037
801-347-8550

Location

The proposed project is located in Morgan City in Morgan County.

Project Summary

Utah is one of the driest states in the nation, one of the fastest-growing, and drinking water sources are limited. In addition, potential climate change impacts and the current multi-year drought in Utah threaten 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 also 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. The State of Utah believes that it is critical to invest in water conservation, water metering, and dual water pipe and secondary water distribution systems to protect potable drinking water supplies. This will also help lower the cost of treating drinking water and make it more cost-effective by decreasing the amount of water that needs to be treated to potable standards.

Technology has improved over the last decade and allows for the metering of untreated secondary water. Individual water use cannot be measured without metering, so 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 20-30% reduction in use. Secondary metering, combined with conservation and education, protects the drinking water supplies and allows drinking water providers to plan for their future growth.

The Applicant is requesting funding to purchase and install 840 secondary meters.

The Applicant has 840 secondary connections. None of the connections are metered. The average lot size is 0.33 acre, with about 0.15 acre irrigated. The Applicant expects to conserve about 252 acre-feet of water upon completion of the project.

Construction is expected to begin fall 2023 and be completed by fall 2025. Engineering services are being provided by J-U-B Engineers.

Cost Estimate & Sharing

The estimated cost of the project is $2,510,000**.** The recommended cost sharing is as follows:

Agency	Cost Sharing	% of Total
Board of Water Resources - Grant	$1,757,000	70.0%
Board of Water Resources - Loan	640,000	25.5
Applicant	113,000	4.5
TOTAL	**$2,510,000**	**100%**

Staff recommends <u>the Board authorize and commit 70% of the project cost, up to $1,757,000, as a secondary meter grant.</u>

Staff also recommends the Board authorize 25.5% of the project cost, up to $640,000, and that the project be purchased at 1% interest over 15 years with annual payments of approximately $46,200.

Economic Feasibility

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

Water Rights & Supply

The following list of water rights was provided with the application for financial assistance and is provided here for reference:

Water Right Number	Flow (cfs)
35-8157	4.88
35-8172	5.4116
35-8185	4.0693

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

If the Board provides grant funds for the project the Applicant must:

- Submit or update a water conservation plan for its service area.
    - Obtain approval of it from the Division of Water Resources.
- Agree to provide an educational component to each end user, either in a monthly water use statement or a customer specific internet portal which:
    - Promotes water conservation
    - Provides information on the customer's secondary water usage

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

- Obtain all easements, rights-of-way, and permits required to construct, operate, and maintain the project.
- 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:
    - Assign water rights required for the project to the Board of Water Resources.
    - Enter into a contract with the Board of Water Resources for construction of the

project and subsequent purchase from the Board.

- Have an attorney give the Board of Water Resources a written legal opinion that:
    - 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.
    - 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.
    - The company has obtained all permits required for the project.
    - The company owns all easements and rights-of-way for the project, as well as the land on which the project is located.
    - The company's water rights applicable to the project are unencumbered and legally transferable to the Board of Water Resources, and that they cover the land to be irrigated by the project.
    - 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.
- Obtain approval of final plans and specifications from the Division of Water Resources.
- Pass an ordinance or resolution requiring all new connections on the secondary irrigation system to install water meters.
- Adopt a rule prohibiting its users from irrigating landscapes between the hours of 10:00 a.m. and 6:00 p.m.

BOARD OF WATER RESOURCES
Secondary Meter Report

Applicant: **Wanship Irrigation Company #2**

Project Number: RM087
Fund: ARPA Grant
Conservation and Development Fund
Cost Estimate: $510,000

Application Received: 1/4/2023
Board Meeting Date: 3/22/2023

Board Member: Kyle Stephens
Project Manager: Russell Hadley

Project Summary: The purpose of the project is to purchase and install 72 secondary meters.

Recommendation: Staff recommends the Board authorize and commit 70% of the project cost, up to $357,000, as a secondary meter grant.

Staff also recommends the Board authorize 25.5% of the project cost, up to $130,000, and that the project be purchased at 1% interest over approximately 15 years with annual payments of $9,400.

Project Contacts:

President:
Bob Young
29834 Old Lincoln Highway
Wanship, UT 84017
435-659-0627

Secretary:
Christy Watterson
1855 S. West Hoytsville Road
Wanship, UT 84017
435-336-0987

Engineer:
Ben Miner
Hansen, Allen, and Luce
859 S. Jordan Parkway
Suite 200
South Jordan, UT 84095
801-566-5599

Location

The proposed project is located in Wanship in Summit County.

Project Summary

Utah is one of the driest states in the nation, one of the fastest-growing, and drinking water sources are limited. In addition, potential climate change impacts and the current multi-year drought in Utah threaten 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 also 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. The State of Utah believes that it is critical to invest in water conservation, water metering, and dual water pipe and secondary water distribution systems to protect potable drinking water supplies. This will also help lower the cost of treating drinking water and make it more cost-effective by decreasing the amount of water that needs to be treated to potable standards.

Technology has improved over the last decade and allows for the metering of untreated secondary water. Individual water use cannot be measured without metering, so 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 20-30% reduction in use. Secondary metering, combined with conservation and education, protects the drinking water supplies and allows drinking water providers to plan for their future growth.

The Applicant is requesting funding to purchase and install 72 secondary meters.

The Applicant has 72 secondary connections. None are currently metered. The average lot size is 1.95 acre, with about 1.45 acre irrigated. The Applicant expects to conserve about 150 acre-feet of water upon completion of the project.

Construction is expected to begin spring 2024 and be completed by December 2026. Engineering services are being provided by Hansen, Allen, and Luce.

Cost Estimate & Sharing

The estimated cost of the project is $510,000. The recommended cost sharing is as follows:

Agency	Cost Sharing	% of Total
Board of Water Resources - Grant	$357,000	70.0%
Board of Water Resources - Loan	130,000	25.5
Applicant	23,000	4.5
TOTAL	**$510,000**	**100%**

Staff recommends <u>the Board authorize and commit 70% of the project cost, up to $357,000, as a secondary meter grant.</u>

Staff also recommends the Board authorize 25.5% of the project cost, up to $130,000, and that the project be purchased at 1% interest over approximately 15 years with annual payments of $9,400.

Economic Feasibility

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

Water Rights & Supply

The following list of water rights was provided with the application for financial assistance and is provided here for reference:

Water Right Number	Flow (cfs)
35-8519	2.66

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

If the Board provides grant funds for the project the Applicant must:

- Submit or update a water conservation plan for its service area.
    - Obtain approval of it from the Division of Water Resources.
- Agree to provide an educational component to each end user, either in a monthly water use statement or a customer specific internet portal which:
    - Promotes water conservation
    - Provides information on the customer's secondary water usage

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

- Obtain all easements, rights-of-way, and permits required to construct, operate, and maintain the project.
- 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:
    - Assign water rights required for the project to the Board of Water Resources.
    - Enter into a contract with the Board of Water Resources for construction of the project and subsequent purchase from the Board.
- Have an attorney give the Board of Water Resources a written legal opinion that:
    - 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.

  - 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.
  - The company has obtained all permits required for the project.
  - The company owns all easements and rights-of-way for the project, as well as the land on which the project is located.
  - The company's water rights applicable to the project are unencumbered and legally transferable to the Board of Water Resources, and that they cover the land to be irrigated by the project.
  - 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.
- Obtain approval of final plans and specifications from the Division of Water Resources.
- Pass an ordinance or resolution requiring all new connections on the secondary irrigation system to install water meters.
- Adopt a rule prohibiting its users from irrigating landscapes between the hours of 10:00 a.m. and 6:00 p.m.

BOARD OF WATER RESOURCES
Secondary Meter Report

Applicant: **Glenwood Irrigation Company**

Project Number: RM088
Fund: ARPA Grant
Conservation and Development Fund
Cost Estimate: $1,100,000

Application Received: 1/5/2023
Board Meeting Date: 3/22/2023

Board Member: Blaine Ipson
Project Manager: Tom Cox

Project Summary: The purpose of the project is to purchase and install approximately 254 secondary water meters.

Recommendation: Staff recommends the Board authorize and commit 70% of the project cost, up to $770,000, as a secondary meter grant.

Staff also recommends the Board authorize 25.5% of the project cost, up to $280,000, and that the project be purchased at 1% interest, over 15 years, with annual payments of approximately $20,200.

Project Contacts:

President:
Bert Mitchell
PO Box 300539
Glenwood, UT 84730
702-592-3139

Board Member:
Jared Dastrup
PO Box 300539
Glenwood, UT 84730
435-979-8467

Engineer:
Parker Vercimak
Jones & DeMille Engineering
1535 South 100 West
Richfield, UT 84701
307-677-0923

Location

The proposed project is located in Glenwood in Sevier County.

Project Summary

Utah is one of the driest states in the nation, one of the fastest-growing, and drinking water sources are limited. In addition, potential climate change impacts and the current multi-year drought in Utah threaten 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 also 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. The State of Utah believes that it is critical to invest in water conservation, water metering, and dual water pipe and secondary water distribution systems to protect potable drinking water supplies. This will also help lower the cost of treating drinking water and make it more cost-effective by decreasing the amount of water that needs to be treated to potable standards.

Technology has improved over the last decade and allows for the metering of untreated secondary water. Individual water use cannot be measured without metering, so 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 20-30% reduction in use. Secondary metering, combined with conservation and education, protects the drinking water supplies and allows drinking water providers to plan for their future growth.

The Applicant is requesting funding to purchase and install approximately 254 secondary water meters.

The Applicant has 254 secondary connections, none of which are metered. The average lot size is 0.75 acre, with about 0.5 acre irrigated. The Applicant expects to conserve about 25 acre-feet of water upon completion of the project.

Construction is expected to begin fall 2023 and be completed by the beginning of April 2024. Engineering services are being provided by Jones & DeMille Engineering.

Cost Estimate & Sharing

The estimated cost of the project is $1,100,000. The recommended cost sharing is as follows:

Agency	Cost Sharing	% of Total
Board of Water Resources - Grant	$770,000	70.0%
Board of Water Resources - Loan	280,000	25.5
Applicant	50,000	4.5
TOTAL	**$1,100,000**	**100%**

Staff recommends <u>the Board authorize and commit 70% of the project cost, up to $770,000, as a secondary meter grant.</u>

Staff also recommends the Board authorize 25.5% of the project cost, up to $280,000, and that the project be purchased at 1% interest, over 15 years, with annual payments of approximately $20,200.

Economic Feasibility

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

Water Rights & Supply

The following list of water rights was provided with the application for financial assistance and is provided here for reference:

Water Right Number	Flow / Volume (cfs / ac-ft)
63-2114	1,202 ac-ft
63-2115	0.67 cfs
63-2515	0.93 cfs
63-3155	9.5 cfs
63-3156	1.77 cfs
63-3157	1.17 cfs

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

If the Board provides grant funds for the project the Applicant must:

- Update its water conservation plan for its service area.
    - Obtain approval of it from the Division of Water Resources.
- Agree to provide an educational component to each end user, either in a monthly water use statement or a customer specific internet portal which:
    - Promotes water conservation
    - Provides information on the customer's secondary water usage

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

- Obtain all easements, rights-of-way, and permits required to construct, operate, and maintain the project.

- 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:
    - Assign water rights required for the project to the Board of Water Resources.
    - Enter into a contract with the Board of Water Resources for construction of the project and subsequent purchase from the Board.
- Have an attorney give the Board of Water Resources a written legal opinion that:
    - 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.
    - 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.
    - The company has obtained all permits required for the project.
    - The company owns all easements and rights-of-way for the project, as well as the land on which the project is located.
    - The company's water rights applicable to the project are unencumbered and legally transferable to the Board of Water Resources, and that they cover the land to be irrigated by the project.
    - 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.
- Obtain approval of final plans and specifications from the Division of Water Resources.
- Pass an ordinance or resolution requiring all new connections on the secondary irrigation system to install water meters.

BOARD OF WATER RESOURCES
Secondary Meter Report

Applicant: **Fillmore Water Users Association**

Project Number: RM089
Fund: ARPA Grant
Conservation and Development Fund

Cost Estimate: $1,550,000

Application Received: 1/5/2023
Board Meeting Date: 3/22/2023

Board Member: Blaine Ipson
Project Manager: Ben Marett

Project Summary: The purpose of the project is to purchase and install approximately 600 secondary water meters.

Recommendation: Staff recommends the Board authorize and commit 70% of the project cost, up to $1,085,000, as a secondary meter grant.

Staff also recommends the Board authorize 25.5% of the project cost, up to $395,000, and that the project be purchased at 1% interest over 15 years with annual payments of approximately $28,500.

Project Contacts:

President:
Brandon Bartholemew
PO Box 801
Fillmore UT, 84631
435-253-1388

Secretary:
Susan Kesler
265 S. Main Street
Fillmore UT, 84631
435-253-1166

Engineer:
Devan Shields
Sunrise Engineering
25 E. 500 N.
Fillmore UT, 84631
435-253-1221

Location

The proposed project is located in Fillmore in Millard County.

Project Summary

Utah is one of the driest states in the nation, one of the fastest-growing, and drinking water sources are limited. In addition, potential climate change impacts and the current multi-year drought in Utah threaten 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 also 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. The State of Utah believes that it is critical to invest in water conservation, water metering, and dual water pipe and secondary water distribution systems to protect potable drinking water supplies. This will also help lower the cost of treating drinking water and make it more cost-effective by decreasing the amount of water that needs to be treated to potable standards.

Technology has improved over the last decade and allows for the metering of untreated secondary water. Individual water use cannot be measured without metering, so 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 20-30% reduction in use. Secondary metering, combined with conservation and education, protects the drinking water supplies and allows drinking water providers to plan for their future growth.

The Applicant is requesting funding to purchase and install approximately 600 secondary water meters.

The Applicant has 600 secondary connections. None of the connections are metered. The average lot size is 0.5 acre, with about 0.3 acre irrigated. The Applicant expects to conserve about 112 acre-feet of water upon completion of the project.

Construction is expected to begin September 2023 and be completed by November 2023. Engineering services are being provided by Sunrise Engineering.

Cost Estimate & Sharing

The estimated cost of the project is $1,550,000. The recommended cost sharing is as follows:

Agency	Cost Sharing	% of Total
Board of Water Resources - Grant	$1,085,000	70.0%
Board of Water Resources - Loan	395,000	25.5
Applicant	70,000	4.5
TOTAL	**$1,550,000**	**100%**

Staff recommends <u>the Board authorize and commit 70% of the project cost, up to $1,085,000, as a secondary meter grant.</u>

Staff also recommends the Board authorize 25.5% of the project cost, up to $395,000, and that the project be purchased at 1% interest over 15 years with annual payments of approximately $28,500.

Economic Feasibility

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

Water Rights & Supply

The following list of water rights was provided with the application for financial assistance and is provided here for reference:

Water Right Number	Flow (cfs)
67-998	13.22

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

If the Board provides grant funds for the project the Applicant must:

- Submit or update a water conservation plan for its service area.
    - Obtain approval of it from the Division of Water Resources.
- Agree to provide an educational component to each end user, either in a monthly water use statement or a customer specific internet portal which:
    - Promotes water conservation
    - Provides information on the customer's secondary water usage

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

- Obtain all easements, rights-of-way, and permits required to construct, operate, and maintain the project.
- 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:
    - Assign water rights required for the project to the Board of Water Resources.
    - Enter into a contract with the Board of Water Resources for construction of the project and subsequent purchase from the Board.
- Have an attorney give the Board of Water Resources a written legal opinion that:
    - 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.

  - 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.
  - The company has obtained all permits required for the project.
  - The company owns all easements and rights-of-way for the project, as well as the land on which the project is located.
  - The company's water rights applicable to the project are unencumbered and legally transferable to the Board of Water Resources, and that they cover the land to be irrigated by the project.
  - 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.
- Obtain approval of final plans and specifications from the Division of Water Resources.
- Pass an ordinance or resolution requiring all new connections on the secondary irrigation system to install water meters.
- Adopt a rule prohibiting its users from irrigating landscapes between the hours of 10:00 a.m. and 6:00 p.m.

BOARD OF WATER RESOURCES
Secondary Meter Report

Applicant: **Monroe City**

Project Number: RM092
Fund: ARPA Grant
Conservation and Development Fund
Cost Estimate: $2,940,000

Application Received: 1/5/2023
Board Meeting Date: 3/22/2023

Board Member: Blaine Ipson
Project Manager: Tom Cox

Project Summary: The purpose of the project is to purchase and install approximately 833 secondary irrigation and about 10 agricultural water meters. No grant funding will be allowed for the agricultural meters.

Recommendation: Staff recommends the Board authorize and commit 68.8% of the project cost, up to $2,022,000, as a secondary meter grant.

Staff also recommends the Board authorize 26.5% of the project cost, up to $780,000, as a loan, and that the bonded indebtedness be returned at 1% interest over 15 years with annual payments of approximately $61,000 (including reserves).

Project Contacts:

Mayor:
Johnny Parsons
10 North Main St.
Monroe, UT 84754
435-527-4621

Secretary:
Allison Leavitt
10 North Main St.
Monroe, UT 84754
435-527-4621

Engineer:
Parker Vercimak
Jones and DeMille Engineering
1535 South 100 West
Richfield, UT 84701
435-896-8266

Location

The proposed project is located in Monroe City in Sevier County.

Project Summary

Utah is one of the driest states in the nation, one of the fastest-growing, and drinking water sources are limited. In addition, potential climate change impacts and the current multi-year drought in Utah threaten 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 also 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. The State of Utah believes that it is critical to invest in water conservation, water metering, and dual water pipe and secondary water distribution systems to protect potable drinking water supplies. This will also help lower the cost of treating drinking water and make it more cost-effective by decreasing the amount of water that needs to be treated to potable standards.

Technology has improved over the last decade and allows for the metering of untreated secondary water. Individual water use cannot be measured without metering, so 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 20-30% reduction in use. Secondary metering, combined with conservation and education, protects the drinking water supplies and allows drinking water providers to plan for their future growth.

The Applicant is requesting funding to purchase and install approximately 833 secondary irrigation and about 10 agricultural water meters. The ARPA grant funding will not be used for the meters installed for the agricultural connections.

The Applicant has approximately 833 secondary connections, none of which are metered. The average lot size is 0.87 acre, with about 0.45 acre irrigated. The Applicant expects to conserve about 42 acre-feet of water upon completion of the project.

Construction is expected to begin fall 2023 and be completed by spring 2024. Engineering services are being provided by Jones and DeMille Engineering.

Cost Estimate & Sharing

The estimated cost of the project is $2,940,000. The recommended cost sharing is as follows:

Agency	Cost Sharing	% of Total
Board of Water Resources - Grant	$2,022,000	68.8%
Board of Water Resources - Loan	780,000	26.5
Applicant	138,000	4.7
TOTAL	**$2,940,000**	**100%**

Staff recommends the Board authorize and commit 68.8% of the project cost, up to $2,022,000, as a

secondary meter grant.

Staff also recommends the Board authorize 26.5% of the project cost, up to $780,000, as a loan, and that the bonded indebtedness be returned at 1% interest over 15 years with annual payments of approximately $61,000 (including reserves).

Economic Feasibility

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

Water Rights & Supply

On its application, Monroe City lists Water Right 63-3078 (1,118 acre-feet) as well as water shares from South Bend Canal and Piute Canal companies.

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

If the Board provides grant funds for the project the Applicant must:

- Submit or update a water conservation plan for its service area.
    - Obtain approval of it from the Division of Water Resources.
- Agree to provide an educational component to each end user, either in a monthly water use statement or a customer specific internet portal which:
    - Promotes water conservation
    - Provides information on the customer's secondary water usage

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
Secondary Meter Report

Applicant: **Bloomington Water Company, Inc.**

Project Number: RM093
Fund: ARPA Grant
Conservation and Development Fund
Cost Estimate: $1,432,000

Application Received: 1/6/2023
Board Meeting Date: 3/22/2023

Board Member Area: Lower Colorado River District
Project Manager: Ben Marett

Project Summary: The purpose of the project is to purchase and install 370 secondary water meters.

Recommendation: Staff recommends the Board authorize and commit 70% of the project cost, up to $1,002,000, as a secondary meter grant.

Staff also recommends the Board authorize 25.5% of the project cost, up to $365,000, and that the project be purchased at 1% interest over 15 years with annual payments of approximately $26,400.

Project Contacts:

President:
Jeff Lance
811 E. Red Hills Parkway
St. George UT, 84770
435-627-4850

Secretary:
Frankye Pepito
144 W. Brigham Road
St. George UT, 84790
435-669-4998

Engineer:
Kade Bringhurst
811 E. Red Hills Parkway
St. George UT, 84770
435-627-4854

Location

The proposed project is located in St. George in Washington County.

Project Summary

Utah is one of the driest states in the nation, one of the fastest-growing, and drinking water sources are limited. In addition, potential climate change impacts and the current multi-year drought in Utah threaten 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 also 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. The State of Utah believes that it is critical to invest in water conservation, water metering, and dual water pipe and secondary water distribution systems to protect potable drinking water supplies. This will also help lower the cost of treating drinking water and make it more cost-effective by decreasing the amount of water that needs to be treated to potable standards.

Technology has improved over the last decade and allows for the metering of untreated secondary water. Individual water use cannot be measured without metering, so 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 20-30% reduction in use. Secondary metering, combined with conservation and education, protects the drinking water supplies and allows drinking water providers to plan for their future growth.

The Applicant is requesting funding to purchase and install 370 secondary water meters.

The Applicant has 380 secondary connections. Ten connections are already metered. The average lot size is 0.71 acre, with about 0.26 acre irrigated. The Applicant expects to conserve about 92.5 acre-feet of water upon completion of the project.

Construction is expected to begin November 2023 and be completed by February 2025. Engineering services are being provided by the City of St. George.

Cost Estimate & Sharing

The estimated cost of the project is $1,432,000. The recommended cost sharing is as follows:

Agency	Cost Sharing	% of Total
Board of Water Resources - Grant	$1,002,000	70.0%
Board of Water Resources - Loan	365,000	25.5
Applicant	65,000	4.5
TOTAL	**$1,432,000**	**100%**

Staff also recommends <u>the Board authorize and commit 70% of the project cost, up to $1,002,000, as a secondary meter grant.</u>

Staff also recommends the Board authorize 25.5% of the project cost, up to $365,000, and that the project be purchased at 1% interest over 15 years with annual payments of approximately $26,400.

Economic Feasibility

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

Water Rights & Supply

The following list of water rights was provided with the application for financial assistance and is provided here for reference:

Water Right Number	Flow (cfs)
81-194	1.5
81-448	1
81-269	3

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

If the Board provides grant funds for the project the Applicant must:

- Submit or update a water conservation plan for its service area.
    - Obtain approval of it from the Division of Water Resources.
- Agree to provide an educational component to each end user, either in a monthly water use statement or a customer specific internet portal which:
    - Promotes water conservation
    - Provides information on the customer's secondary water usage

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

- Obtain all easements, rights-of-way, and permits required to construct, operate, and maintain the project.
- 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:
    - Assign water rights required for the project to the Board of Water Resources.
    - Enter into a contract with the Board of Water Resources for construction of the project and subsequent purchase from the Board.

- Have an attorney give the Board of Water Resources a written legal opinion that:
    - 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.
    - 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.
    - The company has obtained all permits required for the project.
    - The company owns all easements and rights-of-way for the project, as well as the land on which the project is located.
    - The company's water rights applicable to the project are unencumbered and legally transferable to the Board of Water Resources, and that they cover the land to be irrigated by the project.
    - 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.
- Obtain approval of final plans and specifications from the Division of Water Resources.
- Pass an ordinance or resolution requiring all new connections on the secondary irrigation system to install water meters.
- Adopt a rule prohibiting its users from irrigating landscapes between the hours of 10:00 a.m. and 6:00 p.m.

BOARD OF WATER RESOURCES
Secondary Meter Report

Applicant: **Corn Creek Irrigation Company**

Project Number: RM094
Fund: ARPA Grant
Conservation and Development Fund
Cost Estimate: $1,192,000

Application Received: 1/6/2023
Board Meeting Date: 3/22/2023

Board Member: Blaine Ipson
Project Manager: Tom Cox

Project Summary: The purpose of the project is to purchase and install approximately 220 secondary water meters.

Recommendation: Staff recommends the Board authorize and commit 70% of the project cost, up to $834,000, as a secondary meter grant.

Staff also recommends the Board authorize 25.5% of the project cost, up to $304,000, and that the project be purchased at 1% interest, over 15 years, with annual payments of approximately $22,000.

Project Contacts:

President:
Brandon George
PO Box 197
Kanosh, UT 84637
435-864-8922

Secretary:
Kyle Stott
PO Box 51
Kanosh, UT 84637
435-253-1993

Engineer:
Layne Jensen
Franson Civil Engineers
1276 S. 820 E., Suite 100
American Fork, UT 84003
801-756-0309

Location

The proposed project is located in Kanosh in Millard County.

Project Summary

Utah is one of the driest states in the nation, one of the fastest-growing, and drinking water sources are limited. In addition, potential climate change impacts and the current multi-year drought in Utah threaten 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 also 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. The State of Utah believes that it is critical to invest in water conservation, water metering, and dual water pipe and secondary water distribution systems to protect potable drinking water supplies. This will also help lower the cost of treating drinking water and make it more cost-effective by decreasing the amount of water that needs to be treated to potable standards.

Technology has improved over the last decade and allows for the metering of untreated secondary water. Individual water use cannot be measured without metering, so 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 20-30% reduction in use. Secondary metering, combined with conservation and education, protects the drinking water supplies and allows drinking water providers to plan for their future growth.

The Applicant is requesting funding to purchase and install approximately 220 secondary water meters.

The Applicant has approximately 220 secondary connections, none of which are metered. The average lot size is 1.0 acre, with about 0.7 acre irrigated. Since there is no storage on the system and the Applicant experiences water shortages most years, they do not expect any water savings.

Construction is expected to begin fall 2023 and be completed by the end of 2025. Engineering services are being provided by Franson Civil Engineers.

Cost Estimate & Sharing

The estimated cost of the project is $1,192,000**.** The recommended cost sharing is as follows:

Agency	Cost Sharing	% of Total
Board of Water Resources - Grant	$834,000	70.0%
Board of Water Resources - Loan	304,000	25.5
Applicant	54,000	4.5
TOTAL	**$1,192,000**	**100%**

Staff recommends <u>the Board authorize and commit 70% of the project cost, up to $834,000, as a secondary meter grant.</u>

Staff also recommends the Board authorize 25.5% of the project cost, up to $304,000, and that the project be purchased at 1% interest over 15 years with annual payments of approximately $22,000.

Economic Feasibility

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

Water Rights & Supply

The following list of water rights was provided with the application for financial assistance and is provided here for reference:

Water Right Number	Flow / Volume (cfs / ac-ft)
67-1048	89 cfs
67-664	15 ac-ft

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

If the Board provides grant funds for the project the Applicant must:

- Submit a water conservation plan for its service area.
    - Obtain approval of it from the Division of Water Resources.
- Agree to provide an educational component to each end user, either in a monthly water use statement or a customer specific internet portal which:
    - Promotes water conservation
    - Provides information on the customer's secondary water usage

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

- Obtain all easements, rights-of-way, and permits required to construct, operate, and maintain the project.
- 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:
    - Assign water rights required for the project to the Board of Water Resources.
    - Enter into a contract with the Board of Water Resources for construction of the project and subsequent purchase from the Board.
- Have an attorney give the Board of Water Resources a written legal opinion that:

  - 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.
  - 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.
  - The company has obtained all permits required for the project.
  - The company owns all easements and rights-of-way for the project, as well as the land on which the project is located.
  - The company's water rights applicable to the project are unencumbered and legally transferable to the Board of Water Resources, and that they cover the land to be irrigated by the project.
  - 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.
- Obtain approval of final plans and specifications from the Division of Water Resources.
- Pass an ordinance or resolution requiring all new connections on the secondary irrigation system to install water meters.

BOARD OF WATER RESOURCES
Secondary Meter Report

Applicant: **Cottonwood Gooseberry Irrigation Company**

Project Number: RM095
Fund: ARPA Grant
Conservation and Development Fund
Cost Estimate: $3,292,000

Application Received: 1/6/2023
Board Meeting Date: 3/22/2023

Board Member: Blaine Ipson
Project Manager: Ann Baynard

Project Summary: The purpose of the project is to purchase and install 655 secondary water meters.

Recommendation: Staff recommends the Board authorize and commit 70% of the project cost, up to $2,305,000, as a secondary meter grant.

Staff also recommends the Board authorize 25.5% of the project cost, up to $840,000, and that the project be purchased at 1% interest, over 15 years, with annual payments of approximately $60,800.

Project Contacts:

President:
Lynn Anderson
23700 N. 10860 E.
Fairview, UT 84629
435-262-0369

Secretary:
Tara Anderson
163 S. 200 E.
Fairview, UT 84629
435-262-2210

Engineer:
Layne Jensen
Franson Civil Engineers
1276 S. 820 E. Suite 100
American Fork, UT 84003
801-756-0309

Location

The proposed project is located in Fairview in Sanpete County.

Project Summary

Utah is one of the driest states in the nation, one of the fastest-growing, and drinking water sources are limited. In addition, potential climate change impacts and the current multi-year drought in Utah threaten 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 also 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. The State of Utah believes that it is critical to invest in water conservation, water metering, and dual water pipe and secondary water distribution systems to protect potable drinking water supplies. This will also help lower the cost of treating drinking water and make it more cost-effective by decreasing the amount of water that needs to be treated to potable standards.

Technology has improved over the last decade and allows for the metering of untreated secondary water. Individual water use cannot be measured without metering, so 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 20-30% reduction in use. Secondary metering, combined with conservation and education, protects the drinking water supplies and allows drinking water providers to plan for their future growth.

The Applicant is requesting funding to purchase and install 655 secondary water meters.

The Applicant has 655 secondary connections. None of the connections are metered. The average lot size is 0.33 acre, with about 0.17 acre irrigated. The Applicant expects to conserve about 100 acre-feet of water upon completion of the project.

Construction is expected to begin fall 2023 and be completed by fall 2026. Engineering services are being provided by Franson Civil Engineering.

Cost Estimate & Sharing

The estimated cost of the project is $3,292,000. The recommended cost sharing is as follows:

Agency	Cost Sharing	% of Total
Board of Water Resources - Grant	$2,305,000	70.0%
Board of Water Resources - Loan	840,000	25.5
Applicant	147,000	4.5
TOTAL	**$3,292,000**	**100%**

Staff recommends <u>the Board authorize and commit 70% of the project cost, up to $2,305,000, as a secondary meter grant.</u>

Staff also recommends <u>the Board authorize 25.5% of the project cost, up to $840,000, and that the</u>

project be purchased at 1% interest, over 15 years, with annual payments of approximately $60,800.

Economic Feasibility

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

Water Rights & Supply

The following list of water rights was provided with the application for financial assistance and is provided here for reference:

Water Right Number	Flow / Volume (cfs / ac-ft)
91-738	3,020 ac-ft
65-2488	0.0133 cfs
65-2266	18.9836 cfs

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

If the Board provides grant funds for the project the Applicant must:

- Submit or update a water conservation plan for its service area.
    - Obtain approval of it from the Division of Water Resources.
- Agree to provide an educational component to each end user, either in a monthly water use statement or a customer specific internet portal which:
    - Promotes water conservation
    - Provides information on the customer's secondary water usage

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

- Obtain all easements, rights-of-way, and permits required to construct, operate, and maintain the project.
- 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:
    - Assign water rights required for the project to the Board of Water Resources.
    - Enter into a contract with the Board of Water Resources for construction of the project and subsequent purchase from the Board.
- Have an attorney give the Board of Water Resources a written legal opinion that:

  - 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.
  - 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.
  - The company has obtained all permits required for the project.
  - The company owns all easements and rights-of-way for the project, as well as the land on which the project is located.
  - The company's water rights applicable to the project are unencumbered and legally transferable to the Board of Water Resources, and that they cover the land to be irrigated by the project.
  - 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.
- Obtain approval of final plans and specifications from the Division of Water Resources.
- Pass an ordinance or resolution requiring all new connections on the secondary irrigation system to install water meters.
- Adopt a rule prohibiting its users from irrigating landscapes between the hours of 10:00 a.m. and 6:00 p.m.

BOARD OF WATER RESOURCES
Secondary Meter Report

Applicant: **Panguitch City**

Project Number: RM096
Fund: ARPA Fund
Conservation and Development Fund
Cost Estimate: $1,850,000

Application Received: 1/6/2023
Board Meeting Date: 3/22/2023

Board Member Area: Lower Colorado River District
Project Manager: Russell Hadley

Project Summary: The purpose of the project is to purchase and install 724 secondary meters.

Recommendation: Staff recommends the Board authorize and commit 70% of the project cost, up to $1,295,000, as a secondary meter grant.

Staff also recommends the Board authorize 25.5% of the project cost, up to $472,000, as a loan, and that the bonded indebtedness be returned at 1% interest over 15 years with annual payments of approximately $37,000 (including reserves).

Project Contacts:

Mayor:
Kim Soper
25 South 200 East
Panguitch, UT 84759
435-676-8585

Manager:
Lori Talbot
25 South 200 East
Panguitch, UT 84759
435-676-8585

Engineer:
Robert Worley
Sunrise Engineering
25 East 500 North
Filmore, UT 84631
435-743-6151

Location

The proposed project is located in Panguitch City in Garfield County.

Project Summary

Utah is one of the driest states in the nation, one of the fastest-growing, and drinking water sources are limited. In addition, potential climate change impacts and the current multi-year drought in Utah threaten 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 also 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. The State of Utah believes that it is critical to invest in water conservation, water metering, and dual water pipe and secondary water distribution systems to protect potable drinking water supplies. This will also help lower the cost of treating drinking water and make it more cost-effective by decreasing the amount of water that needs to be treated to potable standards.

Technology has improved over the last decade and allows for the metering of untreated secondary water. Individual water use cannot be measured without metering, so 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 20-30% reduction in use. Secondary metering, combined with conservation and education, protects the drinking water supplies and allows drinking water providers to plan for their future growth.

The Applicant is requesting funding to purchase and install 724 secondary meters.

The Applicant has 724 secondary connections. None of the connections are currently metered. The average lot size is 0.25 acre, with about 0.2 acre irrigated. The Applicant expects to conserve about 145 acre-feet of water upon completion of the project.

Construction is expected to begin October 2023 and be completed by October 2024. Engineering services are being provided by Sunrise Engineering.

Cost Estimate & Sharing

The estimated cost of the project is $1,850,000. The recommended cost sharing is as follows:

Agency	Cost Sharing	% of Total
Board of Water Resources - Grant	$1,295,000	70.0%
Board of Water Resources - Loan	472,000	25.5
Applicant	83,000	4.5
TOTAL	**$1,850,000**	**100%**

Staff recommends <u>the Board authorize and commit 70% of the project cost, up to $1,295,000, as a secondary meter grant.</u>

Staff also recommends the Board authorize 25.5% of the project cost, up to $472,000, as a loan, and that the bonded indebtedness be returned at 1% interest, over 15 years, with annual payments of approximately $37,000 (including reserves).

Economic Feasibility

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

Water Rights & Supply

The Applicant has about 391 shares in West Panguitch Irrigation and Reservoir Company to supply the secondary system.

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

If the Board provides grant funds for the project the Applicant must:

- Submit or update a water conservation plan for its service area.
    - Obtain approval of it from the Division of Water Resources.
- Agree to provide an educational component to each end user, either in a monthly water use statement or a customer specific internet portal which:
    - Promotes water conservation
    - Provides information on the customer's secondary water usage

If the Board authorizes the loan funds, 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
Secondary Meter Report

Applicant: **Sand Creek Irrigation Company**

Project Number: RM097
Fund: ARPA Grant
Conservation and Development Fund
Cost Estimate: $420,000

Application Received: 1/6/2023
Board Meeting Date: 3/22/2023

Board Member: Blaine Ipson
Project Manager: Marisa Egbert

Project Summary: The purpose of the project is to purchase and install about 100 secondary meters.

Recommendation: Staff recommends the Board authorize and commit 70% of the project cost, up to $294,000, as a secondary meter grant.

Staff also recommends the Board authorize 25.5% of the project cost, up to $107,000, and that the project be purchased at 1% interest over 15 years with annual payments of approximately $7,700.

Project Contacts:

President:
Leon Bogedahl
PO Box 750157
Torrey, UT 84775
435-425-3512

Secretary:
Beth Bogedahl
PO Box 750157
Torrey, UT 84775
435-287-7722

Engineer:
Garrick Wilden
Jones & DeMille Engineering
1535 S. 100 W.
Richfield, UT 84701
435-979-0380

Location

The proposed project is located in the town of Torrey in Wayne County.

Project Summary

Utah is one of the driest states in the nation, one of the fastest-growing, and drinking water sources are limited. In addition, potential climate change impacts and the current multi-year drought in Utah threaten 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 also 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. The State of Utah believes that it is critical to invest in water conservation, water metering, and dual water pipe and secondary water distribution systems to protect potable drinking water supplies. This will also help lower the cost of treating drinking water and make it more cost-effective by decreasing the amount of water that needs to be treated to potable standards.

Technology has improved over the last decade and allows for the metering of untreated secondary water. Individual water use cannot be measured without metering, so 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 20-30% reduction in use. Secondary metering, combined with conservation and education, protects the drinking water supplies and allows drinking water providers to plan for their future growth.

The Applicant is requesting funding to purchase and install about 100 secondary meters.

The Applicant has 100 secondary connections. None of the connections are metered. The average lot size is 1.0 acre, with about 0.5 acre irrigated. The Applicant expects to conserve some water upon completion of the project; however, they are not sure how much they will conserve.

Construction is expected to begin by 2024 and be completed by spring 2025. Engineering services are being provided by Jones & DeMille Engineering.

Cost Estimate & Sharing

The estimated cost of the project is $420,000. The recommended cost sharing is as follows:

Agency	Cost Sharing	% of Total
Board of Water Resources - Grant	$294,000	70.0%
Board of Water Resources - Loan	107,000	25.5
Applicant	19,000	4.5
TOTAL	**$420,000**	**100%**

Staff recommends <u>the Board authorize and commit 70% of the project cost, up to $294,000, as a secondary meter grant.</u>

Staff also recommends the Board authorize 25.5% of the project cost, up to $107,000, and that the project be purchased at 1% interest over 15 years with annual payments of approximately $7,700.

Economic Feasibility

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

Water Rights & Supply

The following list of water rights are in the company's name and is provided here for reference:

Water Right Number	Flow (cfs)
95-4727	6.0
95-1715	5.599

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

If the Board provides grant funds for the project the Applicant must:

- Submit or update a water conservation plan for its service area.
    - Obtain approval of it from the Division of Water Resources.
- Agree to provide an educational component to each end user, either in a monthly water use statement or a customer specific internet portal which:
    - Promotes water conservation
    - Provides information on the customer's secondary water usage

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

- Obtain all easements, rights-of-way, and permits required to construct, operate, and maintain the project.
- 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:
    - Assign water rights required for the project to the Board of Water Resources.
    - Enter into a contract with the Board of Water Resources for construction of the project and subsequent purchase from the Board.
- Have an attorney give the Board of Water Resources a written legal opinion that:
    - 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.

  - 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.
  - The company has obtained all permits required for the project.
  - The company owns all easements and rights-of-way for the project, as well as the land on which the project is located.
  - The company's water rights applicable to the project are unencumbered and legally transferable to the Board of Water Resources, and that they cover the land to be irrigated by the project.
  - 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.
- Obtain approval of final plans and specifications from the Division of Water Resources.
- Pass an ordinance or resolution requiring all new connections on the secondary irrigation system to install water meters.
- Adopt a rule prohibiting its users from irrigating landscapes between the hours of 10:00 a.m. and 6:00 p.m.

BOARD OF WATER RESOURCES
Secondary Meter Report

Applicant: **Minersville Reservoir and Irrigation Company**

Project Number: RM098
Fund: ARPA Grant
Conservation and Development Fund
Cost Estimate: $714,000

Application Received: 1/6/2023
Board Meeting Date: 3/22/2023

Board Member Area: Lower Colorado River District
Project Manager: Marisa Egbert

Project Summary: The purpose of the project is to purchase and install about 200 secondary meters.

Recommendation: Staff recommends the Board authorize and commit 70% of the project cost, up to $500,000, as a secondary meter grant.

Staff also recommends the Board authorize 25.5% of the project cost, up to $182,000, and that the project be purchased at 1% interest over 15 years with annual payments of approximately $13,200.

Project Contacts:

President:
Dan Goff
368 S. 400 W.
Minersville, UT 84752
435-421-9000

Secretary:
Anthony Bealer
374 E. 100 S.
Minersville, UT 84752
435-691-0663

Engineer:
Ben Coray
Sunrise Engineering
25 E. 500 N.
Fillmore, UT 84631
435-743-6151

Location

The proposed project is located in Minersville in Beaver County.

Project Summary

Utah is one of the driest states in the nation, one of the fastest-growing, and drinking water sources are limited. In addition, potential climate change impacts and the current multi-year drought in Utah threaten 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 also 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. The State of Utah believes that it is critical to invest in water conservation, water metering, and dual water pipe and secondary water distribution systems to protect potable drinking water supplies. This will also help lower the cost of treating drinking water and make it more cost-effective by decreasing the amount of water that needs to be treated to potable standards.

Technology has improved over the last decade and allows for the metering of untreated secondary water. Individual water use cannot be measured without metering, so 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 20-30% reduction in use. Secondary metering, combined with conservation and education, protects the drinking water supplies and allows drinking water providers to plan for their future growth.

The Applicant is requesting funding to purchase and install about 200 secondary meters.

The Applicant has 200 secondary connections. None of the connections are metered. The average lot size is 0.75 acre, with about 0.5 acre irrigated. The Applicant expects to conserve about 120 acre-feet of water upon completion of the project.

Construction is expected to begin in the fall 2023 and be completed by fall 2024. Engineering services are being provided by Sunrise Engineering.

Cost Estimate & Sharing

The estimated cost of the project is $714,000. The recommended cost sharing is as follows:

Agency	Cost Sharing	% of Total
Board of Water Resources - Grant	$500,000	70.0%
Board of Water Resources - Loan	182,000	25.5
Applicant	32,000	4.5
TOTAL	**$714,000**	**100%**

Staff recommends <u>the Board authorize and commit 70% of the project cost, up to $500,000, as a secondary meter grant.</u>

Staff also recommends the Board authorize 25.5% of the project cost, up to $182,000, and that the project be purchased at 1% interest over 15 years with annual payments of approximately $13,200.

Economic Feasibility

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

Water Rights & Supply

The Applicant has 7,500 ac-ft of storage in Minersville Reservoir which is represented by water right number 71-2445.

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

If the Board provides grant funds for the project the Applicant must:

- Submit or update a water conservation plan for its service area.
    - Obtain approval of it from the Division of Water Resources.
- Agree to provide an educational component to each end user, either in a monthly water use statement or a customer specific internet portal which:
    - Promotes water conservation
    - Provides information on the customer's secondary water usage

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

- Obtain all easements, rights-of-way, and permits required to construct, operate, and maintain the project.
- 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:
    - Assign water rights required for the project to the Board of Water Resources.
    - Enter into a contract with the Board of Water Resources for construction of the project and subsequent purchase from the Board.
- Have an attorney give the Board of Water Resources a written legal opinion that:
    - 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.
    - 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.
    - The company has obtained all permits required for the project.
    - The company owns all easements and rights-of-way for the project, as well as the land on which the project is located.

  - The company's water rights applicable to the project are unencumbered and legally transferable to the Board of Water Resources, and that they cover the land to be irrigated by the project.
  - 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.
- Obtain approval of final plans and specifications from the Division of Water Resources.
- Pass an ordinance or resolution requiring all new connections on the secondary irrigation system to install water meters.
- Adopt a rule prohibiting its users from irrigating landscapes between the hours of 10:00 a.m. and 6:00 p.m.

BOARD OF WATER RESOURCES
Secondary Meter Report

Applicant: **Ashley Central Irrigation Company**

Project Number: RM099
Fund: ARPA Grant
Conservation and Development Fund
Cost Estimate: $131,000

Application Received: 1/6/2023
Board Meeting Date: 3/22/2023

Board Member: Randy Crozier
Project Manager: Ben Marett

Project Summary: The purpose of the project is to purchase and install 29 secondary water meters.

Recommendation: Staff recommends the Board authorize and commit 70% of the project cost, up to $91,700, as a secondary meter grant.

Staff also recommends the Board authorize 25.5% of the project cost, up to $33,400, and that the project be purchased at 1% interest over 15 years with annual payments of approximately $2,400.

Project Contacts:

President:
Quentin Johnson
44 W 100 N
Vernal, UT 84078
435-790-3624

Secretary:
Shirley Slaugh
44 W 100 N
Vernal, UT 84078
435-789-3212

Engineer:
Bart Jensen
Jones & DeMille Engineering
38 W 100 N
Vernal, UT 84078
435-781-1988

Location

The proposed project is located near Vernal in Uintah County.

Project Summary

Utah is one of the driest states in the nation, one of the fastest-growing, and drinking water sources are limited. In addition, potential climate change impacts and the current multi-year drought in Utah threaten 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 also 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. The State of Utah believes that it is critical to invest in water conservation, water metering, and dual water pipe and secondary water distribution systems to protect potable drinking water supplies. This will also help lower the cost of treating drinking water and make it more cost-effective by decreasing the amount of water that needs to be treated to potable standards.

Technology has improved over the last decade and allows for the metering of untreated secondary water. Individual water use cannot be measured without metering, so 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 20-30% reduction in use. Secondary metering, combined with conservation and education, protects the drinking water supplies and allows drinking water providers to plan for their future growth.

The Applicant is requesting funding to purchase and install 29 secondary water meters.

The Applicant has 29 secondary connections. None of the connections are metered. The average lot size is 1.4 acre, with about 1 acre irrigated. The Applicant expects to conserve about 67 acre-feet of water upon completion of the project.

Construction is expected to begin in the fall of 2023 and be completed by spring 2024. Engineering services are being provided by Jones and DeMille Engineering

Cost Estimate & Sharing

The estimated cost of the project is $131,000**.** The recommended cost sharing is as follows:

Agency	Cost Sharing	% of Total
Board of Water Resources - Grant	$91,700	70.0%
Board of Water Resources - Loan	33,400	25.5
Applicant	5,900	4.5
TOTAL	**$131,000**	**100%**

Staff recommends <u>the Board authorize and commit 70% of the project cost, up to $91,700, as a secondary meter grant.</u>

Staff recommends the Board authorize 25.5% of the project cost, up to $33,400, and that the project be purchased at 1% interest over 15 years with annual payments of approximately $2,400.

Economic Feasibility

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

Water Rights & Supply

The following list of water rights was provided with the application for financial assistance and is provided here for reference:

Water Right Number	Flow (cfs)
45-167	178.935
45-3257	7.0
45-5135	0.237
45-708	5.0

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

If the Board provides grant funds for the project the Applicant must:

- Submit or update a water conservation plan for its service area.
    - Obtain approval of it from the Division of Water Resources.
- Agree to provide an educational component to each end user, either in a monthly water use statement or a customer specific internet portal which:
    - Promotes water conservation
    - Provides information on the customer's secondary water usage

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

- Obtain all easements, rights-of-way, and permits required to construct, operate, and maintain the project.
- 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:
    - Assign water rights required for the project to the Board of Water Resources.
    - Enter into a contract with the Board of Water Resources for construction of the

project and subsequent purchase from the Board.

- Have an attorney give the Board of Water Resources a written legal opinion that:
    - 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.
    - 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.
    - The company has obtained all permits required for the project.
    - The company owns all easements and rights-of-way for the project, as well as the land on which the project is located.
    - The company's water rights applicable to the project are unencumbered and legally transferable to the Board of Water Resources, and that they cover the land to be irrigated by the project.
    - 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.
- Obtain approval of final plans and specifications from the Division of Water Resources.
- Pass an ordinance or resolution requiring all new connections on the secondary irrigation system to install water meters.
- Adopt a rule prohibiting its users from irrigating landscapes between the hours of 10:00 a.m. and 6:00 p.m.

BOARD OF WATER RESOURCES
Committal of Funds

Applicant: **Wellington City**

Project Number: RM058
Fund: Conservation and Development Fund
Total Cost: $1,897,000

Application Received: 5/15/2022
Authorized: 8/4/2022
Board Meeting Date: 3/22/2023

Board Member: Upper Colorado River District
Project Manager: Tom Cox

Project Summary: The purpose of the project is to purchase and install approximately 810 secondary water meters.

Recommendation: Staff recommends the Board commit 25.5% of the project cost, up to $484,000, as a loan, and that the bonded indebtedness be returned at 1% interest, over 15 years, with annual payments of approximately $38,000 (includes reserves).

Project Contacts:

Mayor:
Brad Timothy
150 West Main Street
Wellington, UT 84542
435-637-5213

City Recorder:
Rebecca Evans
150 West Main Street
Wellington, UT 84542
435-637-5213

Engineer:
Mario Gonzalez
Sunrise Engineering
25 East 500 North
Fillmore, UT 84632
435-743-6151

Location

The proposed project is located in Wellington in Carbon County.

Project Summary

The purpose of the project is to purchase and install approximately 810 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	$484,000	25.5%
Board of Water Resources - Grant	1,328,000	70.0
Applicant	85,000	4.5
TOTAL	**$1,897,000**	**100%**

Repayment

Staff recommends the Board commit 25.5% of the project cost, up to $484,000, as a loan, and that the bonded indebtedness be returned at 1% interest over 15 years with annual payments of approximately $38,000 (includes reserves).

Applicant: **Davis & Weber Counties Canal Co.**

Project Number: RE462
Fund: Conservation and Development Fund
Cost Estimate: $2,354,000

Application Received: 11/28/2022
Board Meeting Date: 3/22/2023

Board Member: Kyle Stephens
Project Manager: Tom Cox

Project Summary: The purpose of the project is to replace and relocate approximately 5,800 feet of 12-inch secondary irrigation pipeline in conjunction with a UDOT project in the 2000 West area of Clinton and West Point.

Recommendation: Staff recommends the Board authorize and commit 85% of the project cost, up to $2,000,000, and that the project be purchased at 3% interest over 15 years with annual payments of approximately $167,600.

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:
Nate Smith
J-U-B Engineering
466 N. 900 W.
Kaysville, UT 84037
801-547-0393

Location

The proposed project is located in the cities of Clinton and West Point in Davis County.

Introduction & Background

Davis & Weber Counties Canal Company was organized in 1884 and is registered in good standing with the state Department of Commerce. It delivers approximately 60,000 acre-feet of irrigation water annually to its 40,000-acre service area, which includes wholesale water to Weber Basin Water Conservancy District, Roy Water Conservancy District, Syracuse City, over 16,900 secondary irrigation connections, and approximately 10,000 acres of farm ground.

Water is diverted from the Weber River and delivered primarily through the over 17-mile-long Davis & Weber Canal. The Applicant also owns shares in several irrigation companies, which it uses to supplement its own water diversions. Since 1980, the Board has committed approximately $30 million to the Applicant for both canal improvements and residential secondary irrigation systems in Clinton, Kaysville, Layton, and West Point. The Board also committed $10 million in grant funds and $3.6 million in loan funds for secondary water meters. 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 of the Applicant's secondary irrigation system began in 1988. Over the years, many miles of pressurized irrigation pipe ranging in size from 2-inch to 42-inch have been installed to serve the rapidly growing area.

UDOT is planning improvements to a stretch of 2000 West in Clinton and West Point. The existing road will be widened, and the asphalt replaced with a concrete surface. The Applicant has a secondary irrigation pipeline, installed around 30 years ago, that falls within the road footprint and does not meet current UDOT standards. This pipeline needs to be removed and a new one, meeting current standards, installed as part of the UDOT road project.

Proposed Project

The Applicant is requesting financial assistance from the Board to replace approximately 5,800 feet of 12-inch secondary irrigation pipeline in conjunction with the UDOT project in the 2000 West area of Clinton and West Point. The pipeline will be moved out from under the road footprint which will enable better accessibility for operation and maintenance.

UDOT will spearhead this project, hiring the contractor and overseeing the work. It is anticipated work will start soon with the pipeline work being accomplished first in anticipation of roadwork starting this fall. UDOT is paying for a portion of the project; however, only the part Davis & Weber is responsible for is shown in the Cost Estimate and Cost Sharing sections below.

Benefits

Constructing the proposed project will allow the Applicant to continue to supply secondary irrigation water in the area and allow better access to the pipeline in case repairs are needed.

Cost Estimate

The following cost estimate is based on information provided by the Applicant:

Item	Description	Quantity	Unit	Unit Price	Total
1	Mobilization	1	LS	$200,000	$200,000
2	Remove Pipe	1	LS	225,000	225,000
3	Pipe	5,800	LF	200	1,160,000
4	Fittings and Valves	1	LS	250,000	250,000
5	Connections	1	LS	75,000	75,000
6	Drains	1	LS	25,000	25,000
				Construction Cost	**$1,935,000**
				Contingency	194,000
				Design & Construction Engineering	200,000
				Legal and Administrative	25,000
				TOTAL	**$2,354,000**

Cost Sharing & Repayment

The recommended cost sharing and repayment are:

Agency	Cost Sharing	% of Total
Board of Water Resources	$2,000,000	85%
Applicant	354,000	15
TOTAL	**$2,354,000**	**100%**

Staff recommends the Board authorize and commit 85% of the project cost, up to $2,000,000, and that the project be purchased at 3% interest over 15 years with annual payments of approximately $167,600.

Economic Feasibility

There is no viable alternative for this project; therefore, a benefit/cost ratio of 1.0 has been assigned.

Financial Feasibility

Based on the Board's water service affordability guidelines, residents in the Applicant's service area of Clinton, Kaysville, Layton, South Weber and West Point areas could pay up to $75.29 monthly for water. The cost of all water, based on 16,900 secondary connections, is as follows:

Water Cost	Annual Cost	Cost/Conn/Mo
Average Culinary Water Bill	$6,037,356	$29.77
Average Secondary Water Bill	5,915,676	29.17
Average Property Tax for Water	620,568	3.06
Proposed Board of Water Resources Loan	167,600	0.83
TOTAL	**$12,741,200**	**$62.83**

The Applicant recently raised it water rates. It is trying to keep rates reasonable while maintaining the aging system and expanding as needed for growth. Additionally, the Board has a minimum term of 15 years.

The Applicant has no control over culinary water rates. As you can see from the chart above, an average secondary water bill is nearing that of culinary water.

Water Rights & Supply

The Applicant holds dozens of water rights for Weber River diversions to be used on over 40,000 acres and owns shares in several irrigation companies. 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

No new easements will be required for the project.

Environmental

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

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.

2000 West
I-15
Davis & Weber Counties Canal Company
Proposed Secondary Irrigation Pipeline Project
Davis County
Project Location
Pipeline
T5N, R2W; Sections 28 & 33
0
1,500
3,000
Feet

Applicant: **Centerville Deuel Creek Irrigation Company**

Project Number: RE464 & RM056
Fund: Conservation and Development Fund
Total Cost: $8,620,000

Application Received: 1/6/2023 (RE464)
Authorized: 8/4/2022 (RM056)
Board Meeting Date: 3/22/2023

Board Member Area: Kyle Stephens
Project Manager: Ben Marett

Project Summary: The purpose of the project is to purchase and install approximately 2,305 secondary water meters. The Board previously authorized and committed 58% of the project cost, up to $5,000,000, as an ARPA grant.

Recommendation: (RE464) Staff recommends the Board authorize and commit 12% of the project cost, up to $1,034,000, as a Small System Secondary Meter grant.

(RM056) Staff also recommends the Board reauthorize 25.5% of the project cost, up to $2,199,000, and that the project be purchased at 1% interest over 15 years with annual payments of approximately $158,600.

Project Contacts:

President:
Robert Byrnes
PO Box 429
Centerville, UT 84014
801-554-7623

Secretary:
Bill Duncan
PO Box 429
Centerville, UT 84014
801-298-3675

Engineer:
Kevin L. Campbell
ESI Engineering, Inc.
4141 W 2100 S Ste. 100
West Valley City, UT 84120
801-953-4812

Location

The proposed project is located in Centerville in Davis County.

Project Summary

The purpose of the project is to purchase and install approximately 2,305 secondary water meters. Previously, the Board authorized $3,075,000 in loan funds and authorized and committed $5,000,000 in ARPA grant funds, the maximum amount for the ARPA funds.

The ARPA grant amount is only 58% of the project cost. The Applicant has requested an additional $1,034,000 in grant funds from the Small System Secondary Meter fund. These additional funds will bring the grant total up to 70% of the total cost.

Cost Estimate & Sharing

The ARPA grant amount remains as authorized; however, the cost sharing has changed as follows:

Agency	Authorized Cost Sharing	% of Total	Proposed Cost Sharing	% of Total
BWRe ARPA Grant	$5,000,000	58.0%	$5,000,000	58.0%
BWRe Small System Secondary Grant	0	0.0	1,034,000	12.0
BWRe Loan	3,075,000	35.7	2,199,000	25.5
Applicant	542,000	6.3	387,000	4.5
TOTAL	**$8,617,000**	**100%**	**$8,620,000**	**100%**

Repayment

Staff recommends the Board authorize and commit 12% of the project cost, up to $1,034,000, as a Small System Secondary Meter grant.

Staff also recommends the Board reauthorize 25.5% of the project cost, up to $2,199,000, and that the project be purchased at 1% interest over 15 years with annual payments of approximately $158,600.

Applicant: **Heber City Corporation**

Project Number: RE465 & RM038
Fund: Conservation and Development Fund
Total Cost: $7,800,000

Application Received: 1/5/2023 (RE465)
Authorized: 8/4/2022 (RM038)
Board Meeting Date: 3/22/2023

Board Member Area: Provo River District
Project Manager: Tom Cox

Project Summary: The purpose of the project is to purchase and install approximately 2,945 secondary water meters. The Board previously authorized and committed 64.1% of the project cost, up to $5,000,000, as an ARPA grant.

Recommendation: (RE465) Staff recommends the Board authorize and commit 1.9% of the project cost, up to $145,000, as a Small System Secondary Meter grant.

(RM038) Staff also recommends the Board reauthorize and commit 24% of the project cost, up to $1,875,000, as a loan, and that the bonded indebtedness be returned at 1% interest over 15 years with annual payments of approximately $145,000 (includes reserves).

Project Contacts:

Mayor:
Heidi Franco
75 N. Main Street
Heber City, UT 84032
435-654-0757

Project Manager:
Kyle Turnbow
75 N. Main Street
Heber City, UT 84032
435-657-7892

City Engineer:
Russell Funk
75 N. Main Street
Heber City, UT 84032
435-657-7892

Location

The proposed project is located in Heber City in Wasatch County.

Project Summary

The purpose of the project is to purchase and install approximately 2,945 secondary water meters. Previously, the Board committed $1,997,000 in loan funds and $5,000,000 in ARPA grant funds, the maximum amount for the ARPA funds.

The ARPA grant amount was only 68% of the non-grant cost, or 64.1% of the total cost. The city has requested an additional $145,000 in grant funds from the Small System Secondary Meter fund. These additional funds will bring the total secondary meter grant up to 70% of the applicant's project costs, or 66% of the total cost.

Cost Estimate & Sharing

The ARPA grant amount and cost estimate remain as committed; however, the cost sharing has changed as follows:

Agency	Committed Cost Sharing	% of Total	Proposed Cost Sharing	% of Total
BWRe ARPA Grant	$5,000,000	64.1%	$5,000,000	64.1%
BWRe Small System Secondary Grant	0	0.0	145,000	1.9
BOR WaterSMART Grant	450,000	5.8	450,000	5.8
BWRe Loan	1,997,000	25.6	1,875,000	24.0
Applicant	353,000	4.5	330,000	4.2
TOTAL	**$7,800,000**	**100%**	**$7,800,000**	**100%**

Repayment

Staff recommends the Board authorize and commit 1.9% of the project cost, up to $145,000, as a Small System Secondary Meter grant.

Staff also recommends the Board reauthorize and commit 24% of the project cost, up to $1,875,000, as a loan, and that the bonded indebtedness be returned at 1% interest over 15 years with annual payments of approximately $145,000 (includes reserves).

BOARD OF WATER RESOURCES
Special Item – Secondary Meter Funding Modification

Applicant: **Pleasant Grove City**

Project Number: RE466 & RM043
Fund: Conservation and Development Fund
Total Cost: $15,000,000

Application Received: 1/5/2023 (RE466)
Authorized: 8/4/2022 (RM043)
Board Meeting Date: 3/22/2023

Board Member: Provo River District
Project Manager: Tom Cox

Project Summary: The purpose of the project is to purchase and install approximately 7,480 secondary water meters. The Board previously authorized and committed 66.7% of the project cost, up to $10,000,000, as an ARPA grant.

Recommendation: (RE466) Staff recommends the Board authorize and commit 3.3% of the project cost, up to $500,000 as a Small System Secondary Meter grant.

(RM043) Staff also recommends the Board commit 25.5% of the project cost, up to $3,825,000, as a loan, and that the bonded indebtedness be returned at 1% interest over 15 years with annual payments of approximately $297,000 (includes reserves).

Project Contacts:

Mayor:
Guy L. Fugal
70 S. 100 E.
Pleasant Grove, UT 84062
801-785-5045

Public Works Director:
Neal Winterton
323 W. 700 S.
Pleasant Grove, UT 84062
801-785-2941

Engineer:
John E. Schiess
Horrocks Engineers
2162 W. Grove Parkway, Ste. 400
Pleasant Grove, UT 84062
801-763-5201

Location

The proposed project is located in Pleasant Grove City in Utah County.

Project Summary

The purpose of the project is to purchase and install approximately 7,480 secondary water meters. Previously, the Board authorized $4,250,000 in loan funds and authorized and committed $10,000,000 in ARPA grant funds, the maximum amount for ARPA funds.

The ARPA grant amount was only 66.7% of the project cost. The city has requested an additional $500,000 in grant funds from the Small System Secondary Meter fund. These additional funds will bring the grant total up to 70% of the total cost.

Cost Estimate & Sharing

The ARPA grant amount and cost estimate remain as authorized; however, the cost sharing has changed as follows:

Agency	Authorized Cost Sharing	% of Total	Proposed Cost Sharing	% of Total
BWRe ARPA Grant	$10,000,000	66.7%	$10,000,000	66.7%
BWRe Small System Grant	0	0.0	500,000	3.3
BWRe Loan	4,250,000	28.3	3,825,000	25.5
Applicant	750,000	5.0	675,000	4.5
TOTAL	**$15,000,000**	**100%**	**$15,000,000**	**100%**

Repayment

Staff recommends the Board authorize and commit 3.3% of the project cost, up to $500,000, as a Small System Secondary Meter grant.

Staff also recommends the Board reauthorize and commit 25.5% of the project cost, up to $3,825,000, as a loan, and that the bonded indebtedness be returned at 1% interest over 15 years with annual payments of approximately $297,000 (includes reserves).

BOARD OF WATER RESOURCES
Application Summary

Applicant: **Bear River Canal Company**

Project Number: RE467
Fund: Revolving Construction Fund
Cost Estimate: $500,000

Application Received: 1/19/2023
Board Meeting Date: 3/22/2023

Board Member: Charles Holmgren

Project Contacts:

General Manager:
Trevor Nielson
275 N. 1600 E.
Tremonton, UT 84337
435-535-1761

Secretary:
Rob Roche
11380 W. 10400 N.
Tremonton, UT 84337
435-452-1446

Engineer:
Chris Slater
J-U-B Engineers
1047 S. 100 W.
Logan, UT 84321
435-760-6968

Location:
The proposed project is located in Tremonton in Box Elder County.

Proposed Project:
The applicant is requesting financial assistance from the Board to install automated gates on their canal.

Water Rights:
- 29-2725
- 29-2856
- 29-2857
- 29-2858
- 29-2633
- 29-3321

Unapproved

BOARD OF WATER RESOURCES
BRIEFING MEETING
MINUTES
January 19, 2022

Utah Department of Natural Resources

Board of Water Resources
Board Briefing Meeting
Salt Lake City, Utah
January 19, 2023
10:00 am

BOARD MEMBERS PRESENT
Chair Juliette Tennert
Kyle Stephens
Wayne Andersen
Charles Holmgren
Blaine Ipson
Randy Crozier

STAFF PRESENT
Director Candice Hasenyager
Deputy Director Joel Williams
Assistant Director Todd Stonely (Virtual)
Assistant Director Shalaine DeBernardi
Marisa Egbert
Shannon Clough
Grant Doty
Candace Schaible (Virtual)
Laura Vernon
Nick Yeiter
Shelby Ericksen
Paul Gedge
Carmen McDonald
Russell Hadley
Tom Cox
Ben Marett
Josh Zimmerman
Marty Bushman (Virtual)

OTHERS PRESENT
Matt Morgan, Division of Oil, Gas and Mining
Kyle Repp, Office of Legislative Auditors
Madison Hoover, Office of Legislative Auditors

CHAIR JULIETTE TENNERT called the meeting to order at 10:00 am.

DIRECTOR CANDICE HASENYAGER announced those present and those online.

Introduction of new staff members:
TODD STONELY introduced LAURA VERNON to the Board as the Great Salt Lake Basin planner.
SHELBY ERICKSEN introduced NICK YEITER and CANDACE SCHAIBLE, the two new employees in the Water Conservation section.

APPROVAL OF MINUTES:
CHAIR JULIETTE TENNERT asked for any changes to the minutes. No changes are needed.

DISCUSSION OF BOARD AGENDA ITEMS:
Feasibility Reports:

RM041 Liberty Irrigation Association
Grant Doty will be presenting.
Liberty Irrigation Association came back in August, received some of the ARPA grant funding for this project, but did not request loan funds at that time. They now have decided to pursue the loan funding to cover part of the remaining cost. This is just the loan portion, they already have the grant. The purpose of the project is to purchase and install 231 secondary meters.
Staff recommends the Board authorize 25.5% of the project cost, up to $204,000, and that the project be purchased at 1% interest over 15 years with annual payments of approximately $14,800.

RM004 Cedar Hills City
Marisa Egbert will be presenting.
The purpose of the project is to purchase and install approximately 2,070 meters on the pressurized secondary water system. We have already done the authorization for the loan. This is just committing the funds. Staff recommends the Board commit 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 (includes reserves).

RM011 Layton City
Ben Marett will be presenting.
This is just one of the ARPA projects and this is the loan portion of the project coming forward.
The purpose of the project is to purchase and install approximately 2,380 secondary water meters within Layton City. Staff recommends the Board commit 25.5% of the project cost, up to $1,821,000, and that the bonded indebtedness be returned at 1% interest over 15 years with annual payments of approximately $141,000 (includes reserves).

RM038 Heber City Corporation
Tom Cox will be presenting.
The Board committed the $5million maximum before and so they will be coming for just under $2 million in loan. And so, it's the same thing. 1% interest, 15-year repayment. The one thing different about this one is the small WaterSMART grant that they used to start putting in meters last summer. That kind of throws the cost-sharing off. So, it's not 70%. But because they ran into the maximum of that grant too, that throws the cost sharing off too. However, they did apply for a little bit more grant money in the 3rd round. Staff recommends the Board commit 25.6% of the project cost, up to $1,997,000, and that the bonded indebtedness be returned at 1% interest over 15 years with annual payments of approximately $155,000 (includes reserves).

RM077 Salem City
Marisa Egbert will be presenting.
The Applicant has about 2,500 secondary connections. In August 2020, the Applicant received funding from the Board through a bond, to purchase and install 1,900 meters. They had previously installed about 600 meters. Since August 2020, they have installed about 1,400 meters, but have not used much of the Board's bond funds. Because of cost increases, the previous funding does not cover all the costs of their project, and about 500 connections still need to be metered. The Applicant is requesting grant funding to purchase and install approximately 1,900 secondary meters. This includes the unmetered 500 connections, as well as some of the costs of the 1,400-meter project. HB242 allows for reimbursement of costs for meters that were purchased/installed between March 3, 2021, and May 4, 2022.
This is going to be funded all through secondary meter grants; they are not going to do any loan on this. We will be reimbursing the previous invoices, and invoices as they start coming in for the other 500 meters that are being installed. Staff recommends the Board authorize and commit 64.8% of the project cost, up to $2,590,000 as a secondary meter grant.

CHAIR JULIETTE TENNERT When do they have to have the funds spent by?
MARISA EGBERT by the end of 2026.
KYLE STEPHENS Does the Division have any idea how many previously funded projects would have been out there that would have fallen into the same category as this one, where they came in for loans and installed meters prior to.
MARISA EGBERT, we know of some that have applied to us or have talked to us about it.
SHALAINE DEBERNARDI there's only a couple, most that had full systems complete were done before, March of 2021. We did have the one presented to you; it was Tom's Springdale project that did most of theirs in 2021 and was a small project. In October we asked for authorization and committal because they had done it completely without Board funds anyway. We also had Riverton City who had come to you a couple years ago, three years ago and did about a third of their project and then paused and then submitted their grant application. I don't think there are many simply because of secondary meter projects, we have helped fund, and most of them were done before this 2021 date. But those like Marisa said, that's part of the reason this didn't come to you in the second round because she got the application for 500 meters and realized they would qualify for more than that and obviously, we won't double dip. We won't take bond

funds and grant funds for the same costs. But now they don't have to borrow quite so much and can use the grant funds where it's available.

RE461 Newton Water Users Association
Ben Marett will be presenting.
This is not an ARPA project. This is the Newton Water Users Association up in Cache Valley, next to the town of Newton. The Board has worked with Newton most recently on an ARPA project, they are installing the secondary meters. They also provided some money for an HDPE pipeline that Russell was a project manager over several years ago. Now they're coming before the Board again because they have an asbestos concrete pipeline that is in place right now. It provides secondary and agricultural water. It is failing, crumbling and is basically open because it's in such poor condition. They are investing approximately $15,000 a year in O&M just to keep that pipeline running. That is the impetus for this project, they are going to replace the pipeline. They've also included two other sections of pipeline that they are putting in closed dead end loops, which will provide a beneficial operations system. They're also going to be installing some isolation valves that allow them to make repairs, as needed, without having to drain the entire pipeline and depressurize everything. They're putting in about 14,000 feet of pipeline, it's all going to be PVC pipeline. They are expecting to conserve a small amount of water, but not enough to shake a stick at as it's mostly for O&M reduction. It's about $1.0, almost $1.3 million for the total project cost. They do have two grants. They have a WaterSMART grant for $75,000 and a UDAF Water Optimization grant for $465,000. The Board's funds will help them to leverage these two grants in their favor. Staff recommends <u>the Board authorize and commit 48.8% of the project cost, up to $618,000, and that the project be purchased at 0% interest over 25 years with annual payments of approximately $24,700.</u>

NEW APPLICATION:
Davis & Weber Counties Canal Company
Tom Cox Project manager.

TRANSPARENT WATER BILLING GRANTS UPDATE:
JOSH ZIMMERMAN, Water Conservation Coordinator

DIRECTORS REPORT:
CANDICE HASENYAGER I'm going to talk about the Governor's budget that was released after our previous Board meeting. Joel Williams will be here to give us an extensive legislative session update. We have had some good news. We had applied for a Great Salt Lake Basin fund through the Bureau of Reclamation Water Smart Grant and we were notified on December 22nd that we were awarded that. That is an additional effort. This is one of the reasons why we got Laura Vernon, is to help us be the project manager for that effort. We're trying to merge these two efforts from the legislature this last year, where in HB429, they appropriated $5 million and instructed us to do an Integrated Water Assessment for Great Salt Lake. We're leveraging these state funds with the federal funds into this new Great Salt Lake Basin Integrated Plan effort. I'll also give you a quick water banking update since you guys haven't had one for a little while. I

will talk a little bit about the (SCPP) System Conservation Pilot Project that's going on through the Upper Colorado River Commission.

CHARLES HOLMGREN Just a couple of things that are going on in my area. The Watershed Council had a meeting at Bear River Canal Company a couple of weeks ago to try to find candidates to fill the positions on the Watershed Council in the Bear River Basin area. And then on February 6th, the State Engineer announced that she's having a special meeting at Brigham City to deal with water right applications in Box Elder County. Everybody in my area is very nervous about that. We're all going to attend the meeting and see what the State Engineer has to say and what surprises are in store for us. I received a letter about it, and the (Bear River) Water Conservancy District was a little disappointed. So at least our conservancy district is very concerned about what policies are going to come down and whether we're done with fresh water or where we are in Box Elder County.

INFORMATION TO THE BOARD:

STATUS OF FUNDS:

SHALAINE DENBERNARDI Not a lot of change just a little bit. I did as requested and started adding the contracted and bonded dates so you can see what has happened since the last meeting. There's been no change to the Revolving (Construction) Fund. We do have Newton that's being presented to you today and that will come from the Revolving (Construction) fund. If you authorize and commit what the staff recommends, then that's another $600,000. Then that will soon be getting out the door. No change to Cities Water Loan (Fund). The Conservation and Development Fund (C&D), we did have two more bonds close. You can see them on the very same day about a week after your last board meeting on the secondary meter projects. Committal of funds coming today are on the ARPA projects, the loan portion of those. So, you can see those highlighted in the C&D fund as well for Cedar Hills, Heber, and Layton. We are getting a little bit more money out the door. If everything that's currently authorized and committed moves forward, you don't have a ton of money sitting in the C&D fund, but you've got a new application from Davis and Weber Counties Canal Company. I think they will always be here working to help spend your money. So, Kyle, we appreciate them. No change in the secondary meter grants for the Small Systems (Fund). And then moving to the ARPA funds, you can see we've contracted another $8 million worth of grants. And so, we're moving right along. We're getting those ahead of that 2024 deadline. Funds are looking ok. We don't have a lot of money sitting around left to use.

CHAIR JULIETTE TENNERT did we set like a threshold for moving the amount of time before we pull them off and authorize them? We still have one from ‘08.

SHALAINE DEBERNARDI technically these are old ones and if they decided to pursue their project, I mean they keep telling us they're going to, and if they come back to you, we will require reauthorization at that point. Their authorization is technically no longer valid. So, we would require reauthorization. But the ones that are still there, we've spoken to, and they've said, no, we still think we're going to do this. We've asked staff that some of these that have

been sitting around really check and if they're not going anywhere, let's get them withdrawn. I am happy to move them to possible future funding needs, if you all agree that that's appropriate. If it's okay with the Board, let's do 10 years for consistency, to leave them on for future funding needs. We will just ask staff to highlight the ones that are sitting there. The Board agreed to move them to the other list. Ten years is more than generous. We can move them over to that list and then decide when they should be withdrawn altogether or move to another list?

CANDICE HASENYAGER from the Board's perspective do you want us to contact folks with over 10 years and ask them if they want to pursue it? Or should we just go ahead and move it over.

CHAIR JULIETTE TENNERT I think just move them to another list. And at some point, make contact.

SHALAINE DEBERNARDI I'll move on to the 3rd round of secondary applications. I was hoping to get a summary of the status of funds as additional future needs. We got 29 applications in. And since the date was January 6th, of course, a lot of them came in very late on January 6th. We have not had a chance to look over and even review them to make sure they're all eligible for this funding. As Marisa said, one applicant submitted two different applications. One potentially to be reimbursed for stuff they already did. Or maybe we have a project that falls in that timeline that we could get payment for. So, we haven't had a chance to review them for eligibility and we haven't had a chance to sit down and go through priorities because they totaled over $90 million. This 3rd round of applications does include applicants who have already received funding that need additional funds to complete their projects. We are going to have to sit down and look through the priorities that are detailed in the lot and grade them. Marisa and Joel and I have a meeting scheduled for next Monday to start this process and hopefully get them assigned to the staff. We plan to present them to you at the March meeting in St. George. At that time, I am sure we'll spend the rest of this ARPA money.

KYLE STEPHENS Not necessarily to the ARPA funding, but what are the prospects of additional money being in question? Made available through the legislative process?

CANDICE HASENYAGER we did request a building block through the executive process to the Governor's Office for about $120 million. The presentation went quickly and all those things because they're very familiar with secondary metering grants and the appropriation they did previously. It was not prioritized in the Governor's budget. We can't really continue to ask for it, you know, we asked through the Governor's Office, we can answer questions. The sentiment I got from a number of legislators is that they are looking for other things to fund right now. They feel like they funded a lot towards secondary metering. I kept pushing back because it is a law now and this is what we are following. There are still a number of entities that have a lot of concerns regarding the requirements. We are going to talk to them as much as we can, but really pushing them toward the legislature and that if there are any questions, and if the laws they want changed then that's the process in which to do it, that we can't make those decisions. Shalaine and I went up and met with some folks up in Cache Valley about that same issue. Also, with a couple of representatives and a senator, it really seemed like that meeting ended up

being more not geared toward us, and our funds and your funding, but it was geared toward the secondary water suppliers talking to their representatives. But we are there to hear and listen and hear their concerns. They didn't give us a lot of latitude, or the Board a lot of latitude, within that law to make a lot of exemptions or to make different decisions than what they put in there.

SHALAINE DEBERNARDI Candice pointed out to them when someone made a statement, she said “Sorry, you wrote the law too well, we just have to follow it.”

CHAIR JULIETTE TENNERT is the tenor of concern around just like, capacity and resource to get these things done, or is it just generally a concern about metering?

CANDICE HASENYAGER the one I hear a lot about is that it's kind of an unfunded mandate even though there's a significant grant associated with it. It's still a lot of these small companies is it’s a lot of money. The other element that I hear a lot is, there are lots of small secondary systems that don't have storage. They're getting their water cut off and probably in July anyways or maybe August, and they don’t even have a full season's worth of water. So, they're like, Why would we use less to have this big burden financially, and then not be able to use the water that we're allowed to use even though you don't have storage and get cut off early. They have some very fair points and we've passed those on as we've discussed with legislators that there are a lot of people who have concerns, but particularly those without storage.

SHALAINE DEBERNARDI We've heard that this isn’t going to help us conserve because we can only use what's available and it's not enough. That's the argument we've heard from several smaller entities, including some towns who have even made their arguments to legislative committees, trying to state that - if they had storage this would actually do something for us.

CANDICE HASENYAGER one of the other things that we've heard is that there is a legislative bill file open for secondary metering changes. But the question is, what will that be? What does it look like, will it even go through? There's a lot of questions. There is a bill file open by Senator Hinkins.

SHALAINE DEBERNARDI I would like to make just one more note, at the last meeting in December, we discussed that we do still have some of the Small Systems Secondary Meter grant funds. Not a lot, but almost $2.8 million will be used towards this 3rd round. So while we're short of the ARPA funds, we'll use these Small System secondary grants, where we can help augment that.

JOEL WILLIAMS shared with the Board the 2023 Bills we are following.
HB 34 Boards and Commissions Amendments.
HB 101 and HB172 Food Sales Tax Amendments and Modifications
HB 150 Emergency Water Shortages Amendments
HB 188 Golf Related Water Modifications (this would simply require golf courses to report their water use and their water sources on an annual basis and send that information to us and we would have to post that on our website.)

HB 207 Compact Commission Amendments (we have discussed this one previously, and the change that it would be removing some of the Board's ability to select the Chair of the Bear River Commission. It would appoint the State Engineer in that position rather than having the Board of Water Resources select that position)

SENATE BILLS
SB 76 Water Amendments (would provide funding for Water Resources and a staff member)
Unnumbered Bills
SB Per Capita Consumption Use
HB Student Water Managers Program (to save water & energy in schools)
HB Utah WaterWays (public private ownership)
SB Landscapes (add some additional funding)

CANDICE HASENYAGER just for information for the Board. As we talked about the last Board meeting, we had a couple of Board members who finished their terms, Jim Lemmon and Norm Johnson. We're working on getting those replaced. We've had some applications in their area and should have those go through the process and go through the Governor's Office - we are hoping by the end of the month. Also, we did just get word from Wayne that he finished his first term and wants to be done and is resigning. So, we're working as well to get a new Board member in that area. We are grateful for Wayne and all his service. Thanks Wayne. We are hoping to have those Board members selected by the end of the month, for all three of those areas.

For the Lake Powell Pipeline update, the states in the Colorado River Basin are continuing to focus on all the issues regarding Colorado River. With the low hydrology right now, there's a Notice of Intent from the Bureau of Reclamation to do a supplemental EIS. They are currently in the process of developing alternatives. They're doing a no-action alternative as well as a federal alternative and currently the states in the seven Basins are trying to see if they can get together to come up with a Basin States alternative. They have until January 31st to get a Basin State alternative. There's a lot of people working really hard to do that. The post-2026 guidelines that continue to use all the energy that could be used in other ways like on the Lake Powell pipeline. And so right now, Washington County Water Conservancy District is working with their local communities to emphasize water conservation, as well as developing a significant reuse project in their area. They have applied for a Bureau of Reclamation WaterSMART Grant to start that process of the design and development of a water reuse project in that area. They already have a reuse facility that you used for secondary irrigation but to do more of a comprehensive widespread reuse project for that area.

OTHER ITEMS TO DISCUSS:

CANDICE HASENYAGER Our next Board meeting will be March 22nd in St. George. If you are interested in attending the Utah Water Users Conference, we would be happy to get you registered.
Board Tour discussion"this year it will be in the Bear River area with Charles Holmgren.

CHAIR JULIETTE TENNERT we had one public comment. It is a question about the water budget discussed during the Director's Report. We will read it during the Director's report in the Board Meeting. We will also discuss when the election will be for a Vice-Chair.

WAYNE ANDERSEN moved to adjourn the meeting and KYLE STEPHENS second the motion. The meeting adjourned at 11:14 AM.

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SUMMARY OF BOARD ACTIONS

JANUARY 19, 2023

1. Approval of the minutes, BLAINE IPSON moved to approve the minutes and WAYNE ANDERSEN seconded the motion.

2. RM041 Liberty Irrigation Association, KYLE STEPHENS made the motion that the Board authorize 25.5% of the project cost, up to $204,000, and that the project be purchased at 1% interest over 15 years with annual payments of approximately $14,800. RANDY CROZIER seconded the motion. All voted in favor and the motion passed.

3. RM004 Cedar Hills City WAYNE ANDERSEN made the motion the Board commit 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 (includes reserves). KYLE STEPHENS seconded the motion. All voted in favor and the motion passed.

4. RM011 Layton City KYLE STEPHENS made the motion the Board commit 25.5% of the project cost, up to $1,821,000, and that the bonded indebtedness be returned at 1% interest over 15 years with annual payments of approximately $141,000 (includes reserves). BLAINE IPSON seconded the motion. All voted in favor and the motion passed.

5. RM038 Heber City WAYNE ANDERSEN made the motion that the Board commit 25.6% of the project cost, up to $1,997,000, and that the bonded indebtedness be returned at 1% interest over 15 years with annual payments of approximately $155,000 (includes reserves). RANDY CROZIER seconded the motion. All voted in favor and the motion passed.

6. RM077 Salem City WAYNE ANDERSEN made the motion that the Board authorize and commit 64.8% of the project cost, up to $2,590,000, as a secondary meter grant. CHARLES HOLMGREN seconded the motion. All voted in favor and the motion passed.

7. RE461 Newton Water Users Association CHARLES HOLMGREN made the motion that the Board authorize and commit 48.8% of the project cost up to $618,000 and that the project be purchased at 0% interest. Over 30 years with annual payments of approximately $20,600. KYLE STEPHENS seconded the motion.
   All voted in favor and the motion passed.

8. WAYNE ANDERSEN motioned to adjourn; KYLE STEPHENS seconded. Meeting adjourned at 2:22 PM

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

January 19, 2023

Utah Department of Natural Resources

THOSE PRESENT

BOARD MEMBERS PRESENT:

Chair Juliette Tennert
Kyle Stephens
Wayne Andersen
Charles Holmgren
Blaine Ipson
Randy Crozier

STAFF PRESENT

Director Candice Hasenyager
Deputy Director Joel Williams
Assistant Director Todd Stonely (Virtual)
Assistant Director Shalaine DeBernardi
Marisa Egbert
Shannon Clough
Grant Doty
Paul Gedge
Carmen McDonald
Marty Bushman
Russell Hadley
Tom Cox
Ben Marett
Josh Zimmerman
Matt Morgan
Marty Bushman (Virtual)

OTHERS PRESENT

Rick Smith, General Manger, Davis & Weber Counties Canal Co
Greg Thomas, Hansen Allen & Luce, Salem City
Kurt Christensen, Mayor, Salem City
Bruce Ward, City Manager, Salem City
Madison Hoover, Lead Performance Auditor, Office of the Legislative Auditors
Kyle Repp, Performance Auditor, Office of the Legislative Auditors
Lawrence Suggars, Public

VIRTUAL

Christy Watterson, secretary, Wanship Irrigation Company #2
Bert Mitchell, President, Glenwood Irrigation Company
Brad Timothy, Mayor, Wellington City
Rebecca Evans, City Recorder, Wellington City
Mario Gonzales, Engineer, Wellington City
Kyle Turnbow, Manager Heber City
Neal Winterton, Public Works Pleasant Grove City

BOARD OF WATER RESOURCES

Meeting Minutes

Department of Natural Resources

1594 W. North Temple

Salt Lake City, Utah 84114

January 19, 2023

1:00 PM

CHAIR JULIETTE TENNERT called the meeting to order at 1:00 pm and announced the Board members present.

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

CHAIR JULIETTE TENNERT we will have a public comment during the Directors report today. We want to recognize Kyle Stephens today for his work as Chair over the past year. I have really big shoes to fill and I appreciate all the leadership of our Board that you've given us and also that you will continue to give us. So glad to have you here with all your expertise.

DIRECTOR CANDICE HASENYAGER I just want to say thank you Kyle for your service this past year to the Board and give you your gavel with your name and the date of service engraved for you.

APPROVAL OF MINUTES:

BLAINE IPSON moved to approve the minutes and WAYNE ANDERSEN seconded the motion.

NRCS SNOW REPORT:
TROY BROSTEN made a presentation to the Board.

FEASIBILITY REPORTS:

RM041 Liberty Irrigation Association
GRANT DOTY Project Manager

The purpose of the project is to purchase and install 231 secondary meters. In August 2022, the applicant received ARPA grant funding for this project but did not request loan

funds at that time. They are now requesting loan funding for a portion of the cost sharing.
Staff recommends the Board authorize 25.5% of the project cost, up to $204,000, and that the project be purchased at 1% interest over 15 years with annual payments of approximately $14,800.

KYLE STEPHENS made the motion that the Board authorize 25.5% of the project cost, up to $204,000, and that the project be purchased at 1% interest over 15 years with annual payments of approximately $14,800. RANDY CROZIER seconded the motion. All voted in favor and the motion passed.

COMMITTAL OF FUNDS:

RM004 Cedar Hills City
MARISA EGBERT Project Manager

The Board authorized and committed funds in December for the ARPA grant funds. They were not sure if they wanted to do the loan or not, so they decided to go ahead with the loan, so that's what we're looking at today. The purpose of the project is to purchase and install approximately 2,070 meters on the pressurized secondary water system. Staff recommends the Board commit 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 (includes reserves).

WAYNE ANDERSEN made the motion the Board commit 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 (includes reserves). KYLE STEPHENS seconded the motion. All voted in favor and the motion passed.

RM011 Layton City
BEN MARETT Project Manager

Layton City has an ARPA Grant for their secondary metering project. They received authorization for the project back in August and have proceeded to make significant progress on the requirements towards the bond and they are ready for committal of funds. The purpose of the project is to purchase and install approximately 2,380 secondary water meters within Layton City.Staff recommends the Board commit 25.5% of the project cost, up to $1,821,000, and that the bonded indebtedness be returned at 1% interest over 15 years with annual payments of approximately $141,000 (includes reserves).

KYLE STEPHENS made the motion the Board commit 25.5% of the project cost, up to $1,821,000, and that the bonded indebtedness be returned at 1% interest over 15 years with annual payments of approximately $141,000 (includes reserves). BLAINE IPSON seconded the motion. All voted in favor and the motion passed.

RM038 Heber City
TOM COX Project Manager

Heber City has a project to install 2,945 meters. Back in August the Board authorized and committed $5 million in grant money, which was the maximum they could do, and the Board authorized just under $2 million in loan funds. They've made significant progress on their requirements. They are ready to commit the loan funds today. Staff recommends the Board commit 25.6% of the project cost, up to $1,997,000, and that the bonded indebtedness be returned at 1% interest over 15 years with annual payments of approximately $155,000 (includes reserves).

WAYNE ANDERSEN made the motion that the Board commit 25.6% of the project cost, up to $1,997,000, and that the bonded indebtedness be returned at 1% interest over 15 years with annual payments of approximately $155,000 (includes reserves). RANDY CROZIER seconded the motion. All voted in favor and the motion passed.

RM077 Salem City
MARISA EGBERT Project Manager

This is for Salem City Corporation. And I just want to start by saying that Salem City has been working with the Board for a decade, at least 14 or 15 years actually, trying to figure out secondary meters before they got secondary meters really figured out. We've worked with them quite a bit. They've been very proactive in this to the point. A year and a half ago they went to the Board for a loan to install secondary meters. In this situation, they did send an application to install its remaining 500 meters. The original work was to install 1,900 meters and now costs have gone up. They could only do about 1,400, so they applied for the ARPA grants now for the 500 meters. We then realized that some of the meters that they had purchased, and/or installed, fell within that time window, in the Utah code, (HB242). If installation/purchase falls within that time frame, where they'd already installed the meters or purchased the meters, they could be reimbursed. So, we were able to adjust their application from about $1.6 million to about $2.6 million. So, there will be the 500 meters that they're requesting, plus some reimbursement for those that fell inside that window that they'd already installed. Today they are coming to the Board just for ARPA grant money. Staff recommends the Board authorize and commit 64.8% of the project cost, up to $2,590,000, as a secondary meter grant.

WAYNE ANDERSEN made the motion that the Board authorize and commit 64.8% of the project cost, up to $2,590,000, as a secondary meter grant. CHARLES HOLMGREN seconded the motion. All voted in favor and the motion passed.

SPECIAL ITEMS:

RE461 Newton Water Users Association
BEN MARETT Project Manager

The Applicant supplies water to approximately 4,000 acres of agricultural ground, and secondary water for approximately 300 homes in and around Newton Town. This represents 4,650 shares. In 2014, the Applicant received approximately $2.8 million in funding from the Board to replace about 8.6 miles of canal with HDPE pipe. The project was completed and is being purchased with annual payments of about $129,000. The project will be paid off in 2040. The Applicant also recently received funding from the Board for their secondary metering project with annual repayments of approximately $6,700. The Applicant provides most of the secondary water for Newton Town via a crumbling asbestos concrete pipeline which tees off the mainline. Due to the advanced wear of the pipe, repairs are frequently required. Because the system does not have isolation valves, it must be depressurized and drained before repairs can be made. Additionally, asbestos concrete is hazardous to the health of those who come into contact with it. The proposed project includes abandoning the failing pipeline in place. It will be replaced with approximately 11,500 feet of plastic irrigation pipeline (PIP). The project also includes adding several new connections to the system. Two additional sections of the pipeline will be installed west of Newton. These two sections, along with pressure reducing valves and isolation valves, will close system loops and enable the Applicant to isolate sections of the distribution system. The proposed project is expected to decrease operation and maintenance expenses. It will also give the Applicant the ability to isolate portions of the system for required maintenance. In addition to decreased O&M costs, the Applicant expects to conserve approximately 250 ac-ft of water per year by eliminating pipe leaks and seepage. The addition of several service connections will also benefit those who do not currently have access to secondary water.
The Applicant has been awarded two grants to assist with project implementation. Funding from the Board will enable the Applicant to leverage these two funding opportunities.

Staff recommends <u>the Board authorize and commit 48.8% of the project cost, up to $618,000, and that the project be purchased at 0% interest over 25 years with annual payments of approximately $24,700.</u>

The Applicant requested a longer repayment term of 30 years and the Board discussed what that new payment would be.

CHARLES HOLMGREN made the motion that the Board authorize and commit 48.8% of the project cost up to $618,000 and that the project be purchased at 0% interest. Over 30 years with annual payments of approximately $20,600. KYLE STEPHENS seconded the motion.
All voted in favor and the motion passed.

<u>NEW APPLICATIONS</u>:
RE462 Davis & Weber Counties Canal Company

TRANSPARENT WATER BILLING GRANTS UPDATE:
Josh Zimmerman

In its September 2021 meeting, the Board of Water Resources pre-approved grant funds for Transparent Water Billing Projects throughout the State to increase water conservation. The Board is providing up to 85% of project costs for each project, and has $2,000,000 from the C&D Restricted Fund for these grants. At the Board's May 2022 meeting, we had five approved applications totaling $341,280. Six more applications have been received, with five either contracted or in process.
One of the important elements of the pilot programs with the water billing grants is that we report on how effective the tactics are at reducing water use. The nuts and bolts of our progress report would be that six more applications have been received. Mt. Pleasant City - $43,567, Richfield City - $44,054, Roy Water Conservancy District - $75,000, Ephraim City - $62,740, Lindon City - $81,823. Washington County Water Conservancy District has submitted an application which will use almost all of the remaining grant funds if their application is approved. So, within these applications that we have approved within our office or in the approval process, we have two water conservancy districts, one canal company, around 15 cities and three service providers. Through our approval process staff meet with each of these entities prior to them getting funding. At those meetings we discuss time commitments, reporting the findings of the effectiveness of their tactics and their methods, and we set them up for success with invoicing us so we can reimburse them with less snags. Everyone we work with is engaged. There's many different skill sets but we all want to work together and have a path to impact and reduce water use in the state. There is a team atmosphere and that is valued by all partners. Everyone has different skill sets and different needs, and we have to be flexible and adaptable. Onboarding takes time and there are multiple layers of approval, so we need to be open minded and flexible. A lot of the success here depends on using data to make decisions and not going into the project with any preconceived ideas.

DIRECTOR'S REPORT:

DIRECTOR CANDICE HASENYAGER
Madame Chair, you mentioned that we are working to get a couple of our Board members filled, but I would also like to recognize Wayne Andersen. He let us know that he wants to do some other things. He finished his first term and is going to resign from the Board. So, we're looking to also get his place and vice-chair replaced, but I just want to thank him for his service and really appreciate the last four years. Thank you, Wayne.

We did have a public comment that we received online and it was noted to go along with my Director's Report and so I'm happy to read that. But also, we have the person here who made the public comment.

LAWRENCE SUGGARS (public comment) I'm an old, retired guy. And I love it. I've been starting to ask questions about water. My question is, I have a house, I have a budget, I get X amount of money, I have to spend X amount of money. That was my

question with water, and I've asked a lot of people, but only for the group, especially, and they've been very helpful. How much do we use? I don't care where it goes, I don't care about line items. I just want to know how much we use, that? I own land in southern Utah and the water down there is precious. You can't have land if you don't have water. And our rates have gone up honestly. You know if you don't have water, your land is worthless. It's because they're tapping into the aquifer. And so, they're lowering the (water) table. So, it's kind of like how much water do we really have and how much do we really use? That's my question. Thanks.

CANDICE HASENYAGER great question. And one that we actually think a lot about at Water Resources. In 2021, we did complete a state water plan and it is available online. We do have a water budget for the state and a summary in that plan. We are happy to send you a link. Generally our total inflow to the state is about 61 million acre-feet and we use approximately 3 million acre feet. A lot of it goes back into the natural system. There's still a lot of water in the state even though we are one of the driest states in the nation, but only so much runs off. We are happy to point you to more resources where you can find that information.

In the rest of my Director's Report, just have a few items. As you all know, we have started the legislative session and the first day of the legislature was on Tuesday. We are following a lot of bills. You did hear a good summary in our Briefing meeting but just kind of from a high level. We're tracking about 23 water bills right now. In the Governor's budget that was released in December, we did have a significant amount of recommended funds to go toward water. Obviously, the Governor does not set the budget and he does not appropriate it, but he does have his recommendations of where he would like the money to go. And approximately almost $300 million to go to whether it was dam safety upgrades, water conservation, cloud seeding, agricultural optimization, aqueduct seismic resilience upgrades, salinity management, and Great Salt Lake. A lot of different things that he put into his budget. We have known from the Governor's Office of Planning and Budget that there is a significant amount of one-time funds available, less that is ongoing. We are hopeful that we will get additional funds to go to water and water projects and water conservation. We are really grateful for Joel Williams, our legislative liaison and Deputy Director of the Division, for all the work he's doing right now. Another exciting thing that happened last month, thanks to one of our amazing staff members. Jake Serago, and a number of stakeholders put in an application to the Bureau of Reclamation, the Basin Study for the Great Salt Lake. We found out on December 22nd that they approved us to get that, which is really exciting. This is something that they are funding approximately, just over $3 million toward this effort. So, it's a good investment. Combining it with the state appropriation from the last legislative session of $5 million to do an integrated water assessment. We're merging those two efforts together. We're going to call it the Great Salt Lake Integrated Basin Plan. We hired Jacobs to help us develop the work plan, which will be completed by November, and that also includes a significant stakeholder outreach process. We are really looking forward to that getting going.

And the other update I had for you was generally just on water banking. You guys have been involved in this through the legislation that was passed in 2020 and also, the

Board, approved the first Water Bank, the Carbon Canal Company that came before the Board and created us a contract water bank. The water banking project continues, so we did have $400,000 appropriated from the state. And then we matched that with the Bureau Reclamation Water Marketing Strategy grant of $400,000 that we are working on, and the project manager is continuing to work on. So they are working to complete the three pilot project areas. And once those are completed, they will really work on the public outreach side, drafting the report and those types of things. So, there's a lot of things that we have learned going through this process. It's not quite over yet. One of the big ones is, stakeholder engagement is really important. In the Price area where the Carbon Canal Company Contract Water Bank was approved then that happened last January. So after that was approved, they went through a change application with the Division of Water Rights and they felt like they had done all the noticing, then they found out that they had 80 protests on the change application which is a significant number of protests on change applications. They worked through those comments with the Protestants and really got to a place where the State Engineer ended up approving the change application. But it can't be overstated how important that stakeholder engagement and outreach is. There was also an effort in the Snyderville Basin area to develop a statutory bank. And there was a lot of excitement and interested parties,but they found that there was a pretty significant lift to get a statutory water bank up and going. They ended up deciding that they were going to use other mechanisms to have water marketing. This is part of the Bureau grant. We always talked about it as water banking, but in the Bureau of Reclamation they really talk about different water marketing strategies. It doesn't have to be a bank, it could be a lease pool, a lot of those different types of things. They're looking to streamline water leases through the new in-stream flow statute that was passed last year. We were able to use some of the funds that were available to install telemetry because that's a really important part of any water marketing strategy, whether water banking, or leasing is being able to shepherd that water and having the correct and sufficient telemetry information. The other bank was in Cache Valley and this one really had a pretty strong start. But then the parties found that they can really just do a simpler water leasing contract rather than going through an official water banking process. Just because it was only through a couple of entities. And so they successfully had a water marketing strategy developed, but it wasn't a water bank. We still think it's a success, but you know it'll be interesting to kind of follow that. Also the project management team has had numerous discussions from different areas of the state interested in water marketing or water banking and there's lots of promising aspects. They are still working to get all of the forms available and templates available for those that may want to come up with those statutory banks. Overall, I think the project is going well. The Water Banking Act does have a sunset date of 2030. Depending on how things go, there have been a lot of additional options put on the books after, like the In-stream flow lease. So it may change whether people find the necessity to have a water bank. The Carbon Canal company I know is looking to use their current water bank, as part of the System Conservation Pilot project that the Upper Colorado River Commission is spending up. Those applications are due February 1st. So that's another kind of option that they may use their water bank as well. So that's just a summary on the water bank and some of the legislative details. I

will be presenting next Monday at the Natural Resources Agriculture and Environment Appropriations Committee.

CHAIR JULIETTE TENNERT this is our last meeting with Wayne. Please stay connected and we want you to know we will miss you. Thank you. Perhaps Wayne would like to make the final motion.

WAYNE ANDERSEN motioned to adjourn; KYLE STEPHENS seconded.
Meeting adjourned at 2:22 PM

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Unapproved

BOARD OF WATER RESOURCES
MEETING MINUTES
February 3, 2023

Utah Department of Natural Resources

Utah Board of Water Resources

Board Meeting

February 3, 2023, 2:30 PM

Board Meeting Room 314 (DWR Conference Room)

1594 W. North Temple, Salt Lake City

CHAIR JULIETTE TENNERT called the meeting to order at 2:33 pm and announced the Board Members Present.

Kyle Stephens present
Blaine Ipson virtual
Charles Holmgren virtual
Randy Crozier virtual

DIRECTOR CANDICE HASENYAGER announced those present.

Deputy Director Joel Williams
Assistant Director Shalaine DeBernardi
Marisa Egbert
Shannon Clough
Tom Cox virtual
Ann Baynard virtual
Russell Hadley virtual
Paul Gedge
Carmen McDonald

Others
Rick Smith
Rodney Banks
Dean Lundell (virtual)

PRIORITIZATION OF THIRD ROUND SECONDARY METER GRANT APPLICATIONS:

Discuss and direct staff how to distribute remaining funds.

MARISA EGBERT the main reason we called this meeting was because, as expected, we have more requests in this third round for funding than is available. I will give you a

little background of those applications we got. Sixteen (16) applications were submitted from applicants that have not received ARPA funds yet.

• One (1) is not eligible (they are not “live” connections)

• Fifteen (15) are eligible for ARPA grant funds:

So, the question is, should these be considered at 100% of the funding request, as was done in the first and second round. We are looking for directions and what you guys think.

CHAIR JULIETTE TENNERT it'll be good for all the board members to weigh in. I'll just jump in and say, I'm struggling a little bit with this one because I think for many things in public finance I kind of think sometimes, when you spread the funds around too far, you dilute the efforts and it's sometimes better to just concentrate and fully fund things. In this case, I mean, a meter is a meter. So, conservation comes from that meter. I'm personally kind of leaning more towards partially funding more. Which is a little bit outside of where I would normally be. And I don't know, I'd lean on my colleagues who know this water piece a little bit better and how we can most efficiently deploy the money for conservation.

SHALAINE DEBERNARDI if I can clarify, we have a couple of questions on this point. The first one is these new applicants who have received no funding at all. Internally We all kind of thought that we should go ahead and fund them because they haven't received anything. But then we decided these are Board funds, and we want to do what the board wants us to do.

MARISSA EGBERT it’s about $16-$18 million requested for the new applicants. Most of these are the ones the Board had us look for to notify them of the funding. Many of them didn’t know about the law.

KYLE STEPHENS how much money is available? We have $16-18 million worth of requests then.

SHALAINE DEBERNARDI after the first two rounds, $8 million from the $200 million pot, and the $50 million has not been touched. Keeping them separate pots. A total of $58 million. So about $40 million after funding new applications.

KYLE STEPHENS How many prior requests are asking for additional funding?

MARISA EGBERT Twelve (12) applications were submitted for additional funding:

• One (1) was deemed ineligible because they received 70% of the original cost estimate. However, their costs have increased, and they are requesting additional funds to bring the cost share to 70% of the updated cost estimate. Staff previously determined not to amend Grant Agreements if cost estimates increased.

• Of the eleven (11) remaining eligible applications requesting additional funding:

Three (3) of the applications were previously funded at a cost share below 70% because the maximum amount allowed ($10M/$5M) was reached. To bring the cost-share to 70% of their original cost estimate, these can be funded from the Small Secondary System grant funds (not ARPA).

Eight (8) applications were submitted from applicants that previously received the maximum amount of $10M/$5M in ARPA grant funds, and those eight total $67 million.

SHALAINE DEBERNARDI if the Board members agree that the new applicants should be considered to the full amount they are requesting, this would be consistent with how we've treated the other rounds. We have told those who wanted additional funds from the second pot that they would need to wait.

RANDY CROZIER, I feel we fund those applicants at a hundred percent or the way we would have funded any other previous applicants. Then I think we split what's left proportionately between the rest of them and if additional funds become available when the legislature finishes or something this year we could possibly reconsider and add to them. But I think in all fairness we ought to share what's left with those other applicants.

CHARLES HOLMGREN I agree with Randy's conception of it. It's complex hearing this all at once for me. But I think Randy put it in a nutshell and that works for me.

BLAINE IPSON my feelings on the new 16 is to treat them like the others and should be fully funded. And with the others, split the other on the remaining and have it go as far as it can.

KYLE STEPHENS same concept that Randy introduced.

PUBLIC COMMENTS:

CHAIR JULIETTE TENNERT Any members of the public have ideas or comments you'd like to make to the contrary we'd like to hear it.

RICK SMITH with the Davis Weber County Canal Company. For us again that first 10 million dollars is roughly 25% of our total project. So again, additional let's say five million is great that gives us about 37-38 percent. So, there's some other entities that sound like you're going from 60% to 70% coverage. Going back to equity, if everyone's kind of shooting for the highest percentage of their project, then maybe some entities should receive a little bit more than others just because of that. I think there's eight entities still wanting $67 million. Is that right? So, there's only $40 million left based on the numbers. So, while another $5 million is good, it's not the same ratio as others. If they've already got 60% and are going up to 70%, and 50% going to 70%, that's an additional 20%. Some of us won't even get to 50% even with traditional funding. Thank you.

SHALAINE DEBERNARDI So what we did is, the law is pretty clear about ranking projects. If we get to a point where there isn't enough money to fund everything. We

have a priority system; we have to use it. It's in the law and so that's what we did. We went through and we considered conservation, cost per acre foot of water, looked at what was listed in the law, and we came up with the list. aAnd that's when we looked at the list said, we never got real board direction on whether we just fund the top ranked ones until the money's gone, or do we split it up. It sounds like you're all in agreement that it should be split up in some proportion. We're not asking you to move on any of those today asking for any votes, we're not presenting you with any projects; we are just wanting to make sure when we bring these projects to you in March that we bring them the way you want them.

CHAIR JULIETTE TENNERT we are all in agreement and I do think given that the law calls for ranking in the first place, you just want to be really careful about, you know, are we carrying out the legislature's intent and, it feels like we are. We can do that appropriately with the ranking and with sharing down a little bit farther, I just want to make sure that that continues to be balanced. And as you're working through, if there's any other additional information that you need to give to us as we get to the point for actual action, we would appreciate it.

SHALAINE DEBERNARDI Yes. Absolutely. And that's why we're all hoping that there will be more funds appropriated before the legislature finishes in March.

CHAIR JULIETTE TENNERT that's what I would say knowing all the competing interests up there for limited funds, I would say this would be a really good place for investment. That would go a long way now and then well into the future.

CANDICE HASENYAGER I will have my staff at the next Board meeting show you how they rank them and prioritize them. That will be detailed out in the next Board meeting.

MARISA EGBERT in the write-up I gave you what's actually in the code, the section in the code that gives the three criteria that we're supposed to rank on, where one has a weight of 60%, one has a weight of 20%, another one has a weight of 20%. So that is the information and the guidelines we used. That is the information we used to look at this priority ranking.

KYLE STEPHENS It's good to be able to understand the statutory requirement for the ranking process and know that we're complying with that requirement. Because it has been expressed here by some outside interests and those providers that are actually on the ground working with this, we can kind of understand the concerns that they have a little bit too, but at the same time, the division is restricted with the type of ranking that can be done based on what's in the statute. So, you know, we can only do what we can do in that regard and if additional money comes along things might change.

CANDICE HASENYAGER, we did put in a building block request, or a budget request requesting, another $122 million dollars of additional funds. That's what we estimated to really flush out, and to fill out the kind of hole that's left based on the requirement that everyone's metered. So, if we're trying to get everyone to 70 percent grant, this is how much more money we need. That did not get prioritized in the Governor's budget. I know that there are still a couple of short title bills out there(we don't know what's in

them yet) that reference secondary metering. There is a chance that one of those requests is an appropriation, but to be honest I haven't seen or heard anything that was going to indicate that would be the case.

CHAIR JULIETTE TENNERT let's just reserve the right to pivot on our opinion based on what type of funding comes through or doesn't.

MARISA EGBERT The new 15 applications eligible to be presented at the March Board meeting. The other 8 will be presented at a later date.

ADDITIONAL GRANT APPLICATION AND APPLICATION PERIOD:

Approval of Application Document for Secondary Meter Projects completed before May 4, 2022, Additional ARPA Grant Application Period for those applications.

MARISA EGBERT we have a new application for the Board to look at. Near the end of HB242 those that have installed meters priorto May 4, 2022. I know this is very much involving some systems that were installed meters some years ago. What it says is that if they installed meters on secondary connections before May 4, 2022, and has not otherwise received a grant under this section, but for the purpose of water conservation, we can reimburse in an amount not to exceed $2 million. These are systems that already installed their meters and missed this opportunity, because they were ahead of the game in that regard. This application is specifically for those entities. The wording in the introduction on the application and the wording under the policy, we've got it called policy regarding eligibility and reimbursement. And we basically discuss who can apply for these. And as we've discussed with our AG, as we've discussed within our division also, that those funds are not to reimburse those meters, but it's for something additional that is water conservation, that can be reimbursed up to $2 million.

SHALAINE DEBERNARDI And if I can give a little more information, part of what happened is, during the first round, we had questions from a couple of pre-HB242 meter installers and we kept putting them off saying we've got to figure it out. We don't have things in place for this $2 million. We don't even know if it's going to be available. We just kind of put people off a little bit. But during round three we actually had someone go ahead and fill out the application that was online for the secondary meter grants, and submit it with a full plan of future water conservation projects. Yeah, we had two entities and so they would like funding of up to two million dollars for the additional work. There's a city in Utah County that submitted an application, and they did their meters years ago, but they want additional funds to help them install smart meters on all their parks or smart timers, and various improvements to the City system to improve conservation. So, by allowing them to submit this application, we just realized we're going to have these other entities that we didn't call and say, hey, go ahead and turn in your application now. We've had these prior requests but never told them they could do it.

So, what we're asking today is, are you okay if we open an application period?. We don't know what requests we'll get. We don't know how many will apply, but we figure if

we can open an application period next week, then we will only have it for the work week. We will call those who have requested before to be able to do this. We have an idea that there are some who really don't have another water conservation project. They just want that $2 million and if they don't have another project, we're not going to allow it and it's not going to be an eligible application. We figured it would be fair to all of those who have meters but didn't get a chance to submit an application during the third round. It's probably appropriate if you agree to open an application period, run it from February 6th through February 10th and post this new application to our website to allow those entities to apply.

MARISA EGBERT We actually did have a couple applications early on, but they did not have a project. The two entities that did submit during this third round did use that ARPA grant application and they listed in the description of the project what their new project would be. And so, some of the examples were smart irrigation timers, source meters and conversion of traditional landscape to water wise landscaping, leak detection. When this first came out, I did talk to Representative Hawkes who was involved in the House Bill at the time. We asked about water conservation. And I said, what is water conservation? He said, “Whatever conserves water. So, something in addition to the meters they have installed already.

RANDY CROZIER Can we really just do just a 4 day application? That seems awfully tight. I would be more comfortable with 2 weeks. It’s hard to contact people and if it’s on the third day they have got a day to do it. I would hate to be put in that position. Four days is just not enough time. Two weeks or ten days is what I would prefer; something that’s a little more defendable.

CHAIR JULIETTE TENNERT that would be my preference as well.

KYLE STPEHENS I also agree with that. Then from an application standpoint. I just made the comment as I reviewed this, if there could be some type of distinguishing name or something.

CHAIR JULIETTE TENNERT and just to be clear we didn't have this official offer. I know that some applicants came in, but we didn't officially offer this application. So now that's why we're pushing that forward. And even with the urgency, we still should give sufficient time.

SHALAINE DEBERNARDI and this is why this does require a little bit of action on your part. We will want someone to make a motion to open an application period. Give us the dates and vote. And if the application is acceptable, other than the name, then we’ll need you to approve this application for use.

The application period would open next week – Open for one week? Two weeks?

CHARLES HOLMGREN the discussion of the time period I agree with.

BLAINE IPSON, I agree that four days is too quick, so let’s extend the time frame to two weeks. I think the form looks good too.

CHAIR JULIETTE TENNERT just to clarify the board will still have the final say on whether or not funding actually goes to these applications that come in, Is that right?

SHALAINE DEBERNARDI yes. The Board will have the final say.

KYLE STEPHENS Another question, what method is the division going to use to get the word out.

SHALAINE DEBERNARDI We will update our website with the new information. We have specifically spoken to at least 3 applicants that we will call on Monday. We will look to see if there are others that we aren't aware of.

CHAIR JULIETTE TENNERT I would suggest a motion for a two-week period and give the staff the flexibility to identify the starting date (within reason) within the next week or something like that if it's appropriate.

RANDY CROZIER because this was called out specifically in the legislation. I think if we don't do this appropriately, then we're probably not doing what the law is requesting us to do and the funding that is taking place. It is important to get this out according to the intent of the legislation. I would make a motion that we adopt the criteria as laid out for the new application period for those entities that had installation before May 4, 2022, and that we adopt a 10 business day application period.

BLAINE IPSON I will second that motion.

KYLE STPEHENS and we need to incorporate the unique name to the form so that those entities will know that it is a separate form.

No other public comments.

The Board all voted in favor of the dates February 7 through February 21, 2023 for the application period to be open and the motion passed.

BLAINE IPSON made the motion to adjourn CHARLES HOLMGREN seconded.

The meeting adjourned at 3:25 pm.

MARCH 2023