

BOARD OF WATER RESOURCES

BOARD MEETING

PLAN



CONSERVE



DEVELOP



PROTECT



St. George, Utah



MARCH 20, 2024



DIVISION OF WATER RESOURCES

1594 WEST NORTH TEMPLE, #310, SLC, UTAH 84114

2024 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	22	23	24	25	26	27
28	29	30	31			

February

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	22	23	24
25	26	27	28	29		

March

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	22	23
24	25	26	27	28	29	30
31						

April

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	22	23	24	25	26	27
28	29	30				

May

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	22	23	24	25
26	27	28	29	30	31	

June

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	22
23	24	25	26	27	28	29
30						

July

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	22	23	24	25	26	27
28	29	30	31			

August

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	22	23	24
25	26	27	28	29	30	31

September

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
22	23	24	25	26	27	28
29	30					

October

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	22	23	24	25	26
27	28	29	30	31		

November

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	22	23
24	25	26	27	28	29	30

December

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
22	23	24	25	26	27	28
29	30	31				

January 25 Thursday SLC
Aug 15 Thursday TBA

March 20 Wednesday (St. George) May 9 Thursday SLC
October 10 Thursday December 11 Wednesday

June 20 Thursday SLC

Agenda
Utah Board of Water Resources
Board Briefing Meeting
March 20, 2024
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 20, 2024 (Wednesday)

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://youtube.com/live/fUdxw6aC4Sk>

Board Meeting: <https://youtube.com/live/gpaysDxFfOo>

APPROVAL OF MINUTES

NRCS SNOW REPORT:

Jordan Clayton

<u>Project #</u>	<u>Applicant</u>	<u>County</u>	<u>Project Manager</u>
-------------------------	-------------------------	----------------------	-------------------------------

FEASIBILITY REPORTS:

RE480	West Cache Irrigation Company	Cache	Ethan Stayner
-------	-------------------------------	-------	---------------

COMMITTAL OF FUNDS:

RL590	Metropolitan Water District of Salt Lake & Sandy	Salt Lake	Bradley Caldwell
RM110	Syracuse City	Davis	Ann Baynard

SPECIAL ITEMS:

RE296	East Millcreek Water Company (modify repayments)	Salt Lake	Marisa Egbert
RE479	Lehi City (SSMG)	Utah	Tom Cox

NEW APPLICATIONS:

RE481	Peterson Pipeline Association	Morgan	Bradley Caldwell
-------	-------------------------------	--------	------------------

SECONDARY METER ARPA GRANT DEADLINE:

Shalaine DeBernardi

BEAR RIVER DEVELOPMENT RIGHT-OF-WAY UPDATE:

Marisa Egbert

LANDSCAPE INCENTIVES & LANDSCAPE WATER SAVINGS ESTIMATOR:

Candace Schaible

DIRECTOR'S REPORT:

Candice Hasenyager

ADJOURNMENT

BOARD OF WATER RESOURCES

REVOLVING CONSTRUCTION FUND - REGULAR PROJECTS

Funding Status
March 20, 2024

Funds Available for Projects This FY \$ 9,483,000

Projects Contracted This FY

1 Ashley Central Irrigation Company	RE427	\$ 1,000,000	10/02/23
2 Newton Water Users Association	RE461	618,000	10/12/23
3 Woodland South Hills Irrigation Company	RE471	<u>617,000</u>	12/01/23

Total Funds Contracted \$ 2,235,000
Funds Balance \$ 7,248,000

Projects with Funds Committed

1 Liberty Pipeline Company	RE468	\$ 1,000,000	01/25/24
2 West Milburn Irrigation Company	RE442	<u>335,000</u>	10/08/20

Total Funds Committed \$ 1,335,000
Funds Balance \$ 5,913,000

Projects Authorized

1 Davis & Weber Counties Canal Company	RE472	\$ 999,000	12/05/23
2 Hyrum Blacksmith Fork Irrigation Company	RE475	228,000	01/25/24
* 3 West Cache Irrigation Company	RE480	<u>425,000</u>	03/20/24

Total Funds Authorized \$ 1,652,000
Remaining Funds Available (End of year balance if all listed projects were fully paid) \$ 4,261,000

* To be presented at Board Meeting

BOARD OF WATER RESOURCES

REVOLVING CONSTRUCTION FUND - DAM SAFETY

**Funding Status
March 20, 2024**

Funds Available for Projects This FY \$ 22,700,000

Projects Contracted This FY

1 Hurricane City	RC066	**Grant	\$ 2,296,000		11/01/23
Total Funds Contracted				\$ 2,296,000	
Funds Balance				\$ 20,404,000	

Projects with Funds Committed

1 Consolidated Sevier Bridge Reservoir Company	RC023	**Grant	\$ 900,000	(Add'l Amt.)	01/25/24
2 Washington County Flood Contr. Auth. (Warner)	RC049	**Grant	212,000		03/22/17
3 Washington County Flood Contr. Auth. (Stucki)	RC050	**Grant	<u>88,400</u>		03/22/17
Total Funds Committed				\$ 1,200,000	
Funds Balance				\$ 19,204,000	

Projects Authorized

1 None			\$ -		
Total Funds Authorized				\$ -	
Remaining Funds Available	(End of year balance if all listed projects were fully paid)			\$ 19,204,000	

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

BOARD OF WATER RESOURCES

CITIES WATER LOAN FUND

**Funding Status
March 20, 2024**

Funds Available for Projects This FY	\$ 17,814,000
--------------------------------------	---------------

Bonds Closed This FY

1 None	\$ _____ -	
Total Bonds Closed		\$ _____ -
Funds Balance		\$ 17,814,000

Projects with Funds Committed

1 None	\$ _____ -	
Total Funds Committed		\$ _____ -
Funds Balance		\$ 17,814,000

Projects Authorized

1 Hurricane City	RL591	\$ 12,665,000	
2 Millville City	RL587	1,598,000	
Total Funds Authorized		\$ 14,263,000	
Remaining Funds Available	(End of year balance if all listed projects were fully paid)	\$ 3,551,000	

* To be presented at Board Meeting

BOARD OF WATER RESOURCES

CONSERVATION & DEVELOPMENT FUND

**Funding Status
March 20, 2024**

Funds Available for Projects This FY \$ 109,872,000

Projects Contracted/Bonds Closed This FY

1 Centerfield City	RM035	**	\$ 577,000		08/08/23
2 Coalville City	RM040	**	332,000		08/29/23
3 Consolidated Sevier Bridge Reservoir Co	RC023		700,000	(Add'l Amt.)	07/05/23
4 Davis & Weber Counties Canal Company	RE460		1,530,000		10/02/23
5 Davis & Weber Counties Canal Company	RE462		2,000,000		07/02/23
6 Draper Irrigation Co (Phase 1)	RE450		6,435,000		07/18/23
7 Eden Water Works Company	RE470		1,700,000		10/02/23
8 Eden Water Works Company	RE470		425,000	(Add'l Amt.)	01/30/24
9 Hights Creek Irrigation Company	RM012	**	1,822,000		07/13/23
10 Heber City	RM038	**	1,875,000		03/22/23
11 Henefer Town	RE431		2,157,000		08/29/23
12 Hooper Irrigation Company	RM042	**	798,000		10/02/23
13 Mayfield Irrigation Company	RM036	**	253,000		02/23/24
14 Morgan Secondary Water Association	RM086	**	640,000		02/02/24
15 Moroni City	RM059	**	346,000		07/13/23
16 Roy Water Conservancy District	RM112	**	1,839,000		10/05/23
17 Summit Creek Irrigation and Canal Co (Phase 4)	RE308		373,700	(Add'l Amt.)	10/02/23
18 Wellington City	RM058	**	484,000		11/09/23
19 Wolf Creek Irrigation Company	RM067	**	<u>132,600</u>		12/20/23
Total Funds Contracted/Closed					<u>\$ 24,419,000</u>
Funds Balance					\$ 85,453,000

Projects with Funds Committed

1 City of South Salt Lake	RE458		\$ 8,500,000		08/04/22
2 Manti City Creek WUMA	RM034	**	956,000		10/05/23
* 3 Metropolitan Water District of Salt Lake & Sandy	RL590		22,000,000		03/20/24
4 Mountain View Irrigation Company	RM033	**	743,000		12/06/22
5 Newton Water Users Association	RM044	**	92,000		09/15/22
6 North Summit Pressurized Irrigation Company	RM055	**	213,000		09/15/22
7 Richmond Irrigation & Power Company	RM010	**	606,000		10/27/22
8 Smithfield Irrigation Company	RM054	**	1,020,000		09/15/22
9 South Ogden Conservation District	RM113	**	1,389,000		10/05/23
* 10 Syracuse City	RM110	**	4,182,000		03/20/24
11 Weber-Box Elder Conservation District	RM114	**	<u>1,728,000</u>		10/05/23
Total Funds Committed					<u>\$ 41,429,000</u>
Funds Balance					\$ 44,024,000

Projects Authorized

1 Davis & Weber Counties Canal Company	RE474		\$ 2,380,000		12/05/23
2 Draper Irrigation Co (Phases 2 & 3)	RE450		12,265,000		09/16/21
3 Grantsville Irrigation Company	RE469		1,496,000		06/29/23
4 Veyo Culinary Water Association	RE445		969,000		03/17/21

5 Weber-Box Elder Cons Dist	RE400	1,687,000	08/10/17
6 Woodruff Irrigating Co	RE365	<u>3,200,000</u>	03/18/15

Total Funds Authorized	\$ 21,997,000
Funds Balance	<u>\$ 22,027,000</u>

Secondary Meter Projects Authorized

1 17th North Water Users	RM066	**	\$ 99,500	08/04/22
2 Ashley Central Irrigation Company	RM099	**	33,400	03/22/23
3 Bloomington Water Company	RM093	**	365,000	03/22/23
4 Bountiful Irrigation District	RM116	**	2,692,000	12/05/23
5 Centerville Deuel Creek Irrigation Company	RM056	**	2,199,000	03/22/23
6 Corn Creek Irrigation Company	RM094	**	304,000	03/22/23
7 Cottonwood Gooseberry Irrigation Company	RM095	**	840,000	03/22/23
8 Davis & Weber Counties Canal Company	RM115	**	1,869,000	10/05/23
9 Fillmore Water Users Association	RM089	**	395,000	03/22/23
10 Fountain Green Irrigation Co	RM049	**	303,000	08/04/22
11 Glenwood Irrigation Company	RM088	**	280,000	03/22/23
12 Horseshoe Irrigation Company	RM032	**	259,000	08/04/22
13 Lehi City	RM074	**	2,267,000	12/05/23
* 14 Lehi City	RM074	**	1,376,000	(Add'l Amt.) 03/20/24
15 Liberty Irrigation Association	RM041	**	204,000	01/19/23
16 Loa Town	RM075	**	97,000	08/04/22
17 Minersville Reservoir and Irrigation Company	RM098	**	182,000	03/22/23
18 Monroe City	RM092	**	780,000	03/22/23
19 Mt. Pleasant City	RM085	**	729,000	03/22/23
20 Nephi Irrigation Company	RM062	**	350,000	08/04/22
21 Newton Town Sprinkling Company	RM045	**	132,000	08/04/22
22 North Logan Sprinkling Company	RM030	**	61,000	08/04/22
23 Panguitch City	RM096	**	472,000	03/22/23
24 Paradise Irrigation & Reservoir Company	RM064	**	695,000	08/04/22
25 Richards Irrigation Company	RM051	**	145,000	08/04/22
26 Sand Creek Irrigation Company	RM097	**	107,000	03/22/23
27 South Davis Water District	RM022	**	1,317,000	08/04/22
28 Wanship Irrigation Company #2	RM087	**	<u>130,000</u>	03/22/23

Total Funds Authorized	\$ 18,683,000
Remaining Funds Available (End of year balance if all listed projects were fully paid)	<u>\$ 3,344,000</u>

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

BOARD OF WATER RESOURCES

SMALL SYSTEM SECONDARY METER GRANT FUNDS

**Funding Status
March 20, 2024**

Funds Available for Projects This FY		\$ 4,000,000
--------------------------------------	--	--------------

Projects Contracted This FY

1 None		\$ -
--------	--	------

Total Funds Contracted		\$ -
Funds Balance		\$ 4,000,000

Projects with Funds Committed

1 Centerville Deuel Creek Irrigation Company	RE464	\$ 1,034,000		03/22/23
* 2 Lehi City	RE479	<u>3,776,500</u>		03/20/24

Total Funds Committed		\$ 4,811,000
Funds Balance		\$ (811,000)

* To be presented at Board Meeting

BOARD OF WATER RESOURCES

ARPA SECONDARY METER GRANT FUNDS

**Funding Status
March 20, 2024**

Funds Available for Projects This FY \$ 88,824,000

Projects Contracted This FY

1 Bountiful Irrigation District	RM116	\$ 7,389,000	01/24/24
2 Coalville City	RM040	910,000	10/12/23
3 Hooper Irrigation Company	RM042	2,191,000	07/20/23
4 Lehi City	RM074	6,223,500	01/24/24
5 Magna Water District	RM091	350,000	11/29/23
6 Morgan Secondary Water Association	RM086	1,757,000	11/30/23
7 Salem City	RM077	2,590,000	02/13/24
8 Settlement Canyon Irrigation Company	RM037	476,000	08/09/23
9 Springdale, Town of	RM076	90,000	10/10/23
10 Syracuse City	RM110	<u>1,479,000</u>	12/05/23
 Total Funds Contracted		 \$ 23,456,000	
Funds Balance		\$ 65,368,000	

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 Hyde Park Water Pipeline Company	RM063	91,000	08/04/22
7 Centerville Deuel Creek Irrigation Company	RM056	5,000,000	08/04/22
8 Corn Creek Irrigation Company	RM094	834,000	03/22/23
9 Cottonwood Gooseberry Irrigation Company	RM095	2,305,000	03/22/23
10 Davis & Weber Counties Canal Company	RM115	5,129,000	10/05/23
11 Fillmore Water Users Association	RM089	1,085,000	03/22/23
12 Fountain Green Irrigation Company	RM049	832,000	08/04/22
13 Glenwood Irrigation Company	RM088	770,000	03/22/23
14 Horseshoe Irrigation Company	RM032	710,000	08/04/22
15 Leeds Water Company	RM069	364,000	08/04/22
16 Liberty Irrigation Association	RM041	560,000	08/04/22
17 Loa Town	RM075	266,000	08/04/22
18 Minersville Reservoir and Irrigation Company	RM098	500,000	03/22/23
19 Monroe City	RM092	2,022,000	03/22/23
20 Mt. Pleasant City	RM085	2,002,000	03/22/23
21 Newton Town Sprinkling Company	RM045	360,000	08/04/22
22 Newton Water Users Association	RM044	252,000	08/04/22
23 North Summit Pressurized Irrigation Company	RM055	584,000	08/04/22
24 Panguitch City	RM096	1,295,000	03/22/23
25 Paradise Irrigation & Reservoir Company	RM064	1,908,000	08/04/22
26 Roy Water Conservancy District	RM112	5,046,500	10/05/23
27 Sand Creek Irrigation Company	RM097	294,000	03/22/23
28 Smithfield Irrigation Company	RM054	2,800,000	08/04/22
29 South Ogden Conservation District	RM113	3,814,000	10/05/23
30 Wanship Irrigation Company #2	RM087	357,000	03/22/23

31 Weber Basin Water Conservancy District	RM111	7,277,000	10/05/23
32 Weber-Box Elder Conservation District	RM114	<u>4,743,000</u>	10/05/23
Total Funds Committed		\$ 64,126,000	
Funds Balance		\$ 1,242,000	

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	<u>168,000</u>	08/04/22
Total Funds Authorized		\$ 1,242,000	
Funds Balance		\$ -	

* To be presented at Board Meeting

BOARD OF WATER RESOURCES

ARPA WATER CONSERVATION PROJECT GRANT FUNDS

**Funding Status
March 20, 2024**

Funds Available for Projects This FY \$17,991,000

Projects Contracted This FY

1 Grantsville Irrigation Company	RM103	\$ 2,000,000	01/26/24
2 Mountain Green Secondary Water Company	RM104	301,000	09/18/23
3 Payson City	RM105	2,000,000	09/06/23
4 Santaquin City	RM107	1,690,000	09/27/23
5 Tremonton City	RM102	<u>2,000,000</u>	08/15/23

Total Funds Contracted			<u>\$ 7,991,000</u>
Funds Balance			\$10,000,000

Projects with Funds Committed

1 Mapleton City	RM101	\$ 2,000,000	06/29/23
2 Roosevelt City	RM106	2,000,000	06/29/23
3 Saratoga Springs	RM100	2,000,000	06/29/23
4 Spanish Fork City	RM108	2,000,000	06/29/23
5 Springville City	RM109	<u>2,000,000</u>	06/29/23

Total Funds Committed			<u>\$ 10,000,000</u>
Funds Balance			\$ -

* To be presented at Board Meeting

BOARD OF WATER RESOURCES

March 20, 2024

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 King Irrigation Company	RE476	RCF	960,000	2,630,000	08/16/23
8 Morgan City	RL589	CWL	2,552,000	6,004,200	08/19/22
* 9 Peterson Pipeline Association	RE481	RCF	885,000	1,040,000	03/01/24
10 Sanpete WCD (Narrows Dam)	RD377	C&D	29,325,000	34,500,000	04/07/83
11 Settlement Canyon Irrigation Co (Phase 2)	RE240	C&D	552,500	650,000	10/02/08
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			\$ 136,753,000	\$ 168,877,000	

* New Application

Applicant: **West Cache Irrigation Company**

Project Number: RE480
Fund: Revolving Construction Fund
Cost Estimate: \$500,000

Application Received: 02/28/2024
Board Meeting Date: 03/20/2024

Board Member: Charles Holmgren
Project Manager: Ethan Stayner

Project Summary: The purpose of the project is to excavate in and around the Applicant's main canal to clear out debris from recent landslides and make improvements to the access road.

Recommendation: Staff recommends the Board authorize 85% of the project cost, up to \$425,000, and that the project be purchased at 0% interest, over 20 years, with annual payments of approximately \$21,300.

Project Contacts:

President:
Sid Munk
2598 W. 5800 N.
Smithfield, UT 84335
435-512-3070

Vice President:
Mike Spackman
270 S. 1200 E.
Trenton, UT 84338
435-512-3070

Secretary:
Dale Buxton
32 W. Main St.
Trenton, UT 84338
435-770-0413

Engineer:
Steven Wood
Sunrise Engineering
2100 N. Main Street
North Logan, UT 84341
435-563-3734



Location

The proposed project is located about four miles north of Preston in Franklin County, Idaho.

Introduction & Background

The Applicant provides irrigation water to 359 shareholders, representing 14,568 shares, and approximately 14,200 acres. Water is diverted from the Bear River near Riverdale, Idaho and conveyed through an open canal to Cutler Reservoir near Newton, Utah, and the water is used in Cache County. They have received funding from the Board for six projects in the past. While the three most recent projects have included replacing several miles of ditch with pipe, the canal remains open. The current annual assessment is \$35.00/share.

Existing Conditions & Problems

About two to three miles downstream from the main diversion on the Bear River, on the north side of the canal, there is some unstable earth material. Due to heavy precipitation in February, there was a series of landslides with debris blocking three different sections of the canal. Since the landslides occurred close to the Applicant's main system diversion, all shareholders are affected by the landslides.

Proposed Project

The Applicant is requesting financial assistance from the Board to remove the debris from each landslide location (mostly clay-like soil). Flow can then be restored to all the downstream shareholders. The access road adjacent to the canal will also be repaired with new gravel materials. While this will address the immediate emergency, more long-term improvements in this area will be considered for future projects.

Benefits

This project will allow all shareholders to have water for the 2024 irrigation season. About 20% of the shareholders will not be able to receive water at all without this project, while the remaining 80% of shareholders will only be supplied from pump diversions, which will increase pumping costs and energy usage for the Applicant. Meanwhile, a more permanent solution for the landslide area can be researched, designed, and constructed in the future.



Cost Estimate

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

Item	Description	Quantity	Unit	Unit Price	Total
1	Mobilization	1	LS	\$37,500	\$37,500
2	Excavation	10,900	SQ YD	25	272,500
3	Replace 4” Gravel Road Surface	2,400	SQ YD	25	60,000
4	Untreated Base Course	800	CU YD	35	28,000
5	Materials Sampling and Testing	1	LS	8,000	8,000
Construction Cost					\$406,000
15% Contingency					61,000
Design & Construction Engineering					33,000
TOTAL					\$500,000

Cost Sharing & Repayment

The recommended cost sharing and repayment are:

Agency	Cost Sharing	% of Total
Board of Water Resources	\$425,000	85%
Applicant	75,000	15
TOTAL	\$500,000	100%

Staff recommends the Board authorize 85% of the project cost, up to \$425,000, and that the project be purchased at 0% interest, over 20 years, with annual payments of approximately \$21,300.

Financial Feasibility

The Applicant does not expect there to be a financial benefit from this project, as this requires emergency intervention to restore water flow to the shareholders. There is no expectation of any additional crop yield due to this project. Also, no change is expected in pumping costs or operation and maintenance costs. The recommended annual repayment is equivalent to about \$1.50/share.

Water Rights & Supply

Water rights related to this project are as follows:

Water Right Number	Flow (cfs)
Idaho 13-974	186

Easements

This section of canal goes through private land, but the Applicant has easements through this area.



Environmental

Since the project is going through an existing disturbed area, no environmental issues are expected.

Water Conservation

Due to the nature of this project, no water is expected to be conserved. However, this project does open the potential for water savings, by restoring the irrigation system back to operation and allowing consideration for future system improvements.

Applicant's Responsibilities

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

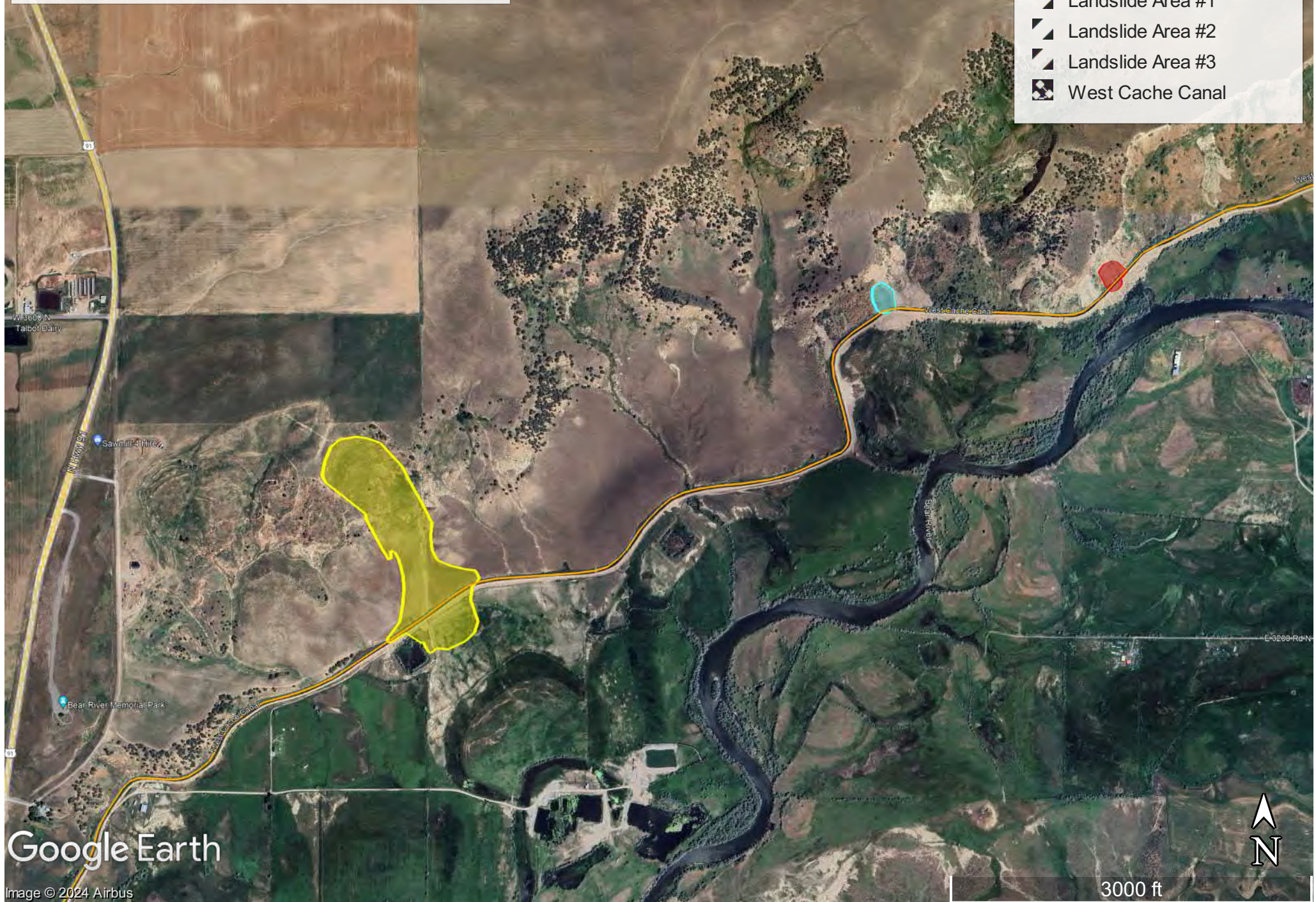
1. Obtain all easements, rights-of-way, and permits required to construct, operate, and maintain the project.
2. Pass a resolution by the appropriate majority (as defined in the company's Articles of Incorporation and Bylaws) authorizing its officers to do the following:
 - a. Assign properties, easements, 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'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.
 - f. 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. Submit or update a water conservation plan for its service area and obtain approval of it from the Division of Water Resources.
5. Obtain approval of final plans and specifications from the Division of Water Resources.

West Cache Irrigation Company

West Cache Canal Landslide Repair Areas

Legend

-  Bear River Memorial Park
-  Landslide Area #1
-  Landslide Area #2
-  Landslide Area #3
-  West Cache Canal



Google Earth

Image © 2024 Airbus

3000 ft



Applicant: **Metropolitan Water District of Salt Lake and Sandy (MWDSL)**

Project Number: RL590
Fund: Conservation and Development Fund
Total Cost: \$68,000,000

Application Received: 5/31/2023
Authorized: 12/5/2023
Board Meeting Date: 3/20/2024

Board Member: Juliette Tennert
Project Manager: Bradley Caldwell

Project Summary: The purpose of the project is to purchase and install about 2.5 miles of seismic-resilient steel pipeline (60- to 72-inch), about 2,400 feet of 54-inch HDPE pipe, and improvements at the site of the Little Cottonwood Water Treatment Plant.

Recommendation: Staff recommends the Board commit funds to participate in an interest rate buydown with MWDSL to buy the market rate down to a net effective interest rate of about 3%. The \$22,000,000 bonded indebtedness to the Board will be returned at 1% interest, over 25 years, with annual payments of approximately \$885,000 for the first 20 years, and approximately \$1,991,000 for the last 5 years (includes reserves).

Project Contacts:

Board Chair: Tom Godfrey 3430 E. Danish Road SLC, UT 84106 801-942-1391	General Manager: Annalee Munsey 3430 E. Danish Road SLC, UT 84106 801-942-9623	Assistant General Manager: Wayne Winsor 3430 E. Danish Road SLC, UT 84106 801-942-9631	Project Engineer: Kelly Stevens 3430 E. Danish Road SLC, UT 84106 801-696-9134
--	---	---	---



Location

The proposed project is located in Cottonwood Heights in Salt Lake County.

Project Summary

The purpose of the project is to purchase and install about 2.5 miles of seismic-resilient steel pipeline (60- to 72-inch), about 2,400 feet of 54-inch HDPE pipe, and improvements at the site of the Little Cottonwood Water Treatment Plant.

Cost Estimate & Sharing

The Applicant received bids for Phase One of the project and the lowest bid is \$13.5 million more than the engineer’s preliminary cost estimate. The total estimated project cost has increased \$18 million from \$50 million to \$68 million, but the Board’s funding amount remains as authorized, and the repayment terms will not change. The Applicant will increase their Market Bond, so the Board’s cost sharing percentage is reduced from 44% to 32.4% of the total cost estimate:

Agency	Authorized Cost Sharing	% of Total	Proposed Cost Sharing	% of Total
Board of Water Resources	\$22,000,000	44.0%	\$22,000,000	32.4%
Applicant	28,000,000	56.0	46,000,000	67.6
TOTAL	\$50,000,000	100%	\$68,000,000	100%

Repayment

The Market Bond will be repaid in 20 years, with an interest rate of about 4.42%, with annual payments of approximately \$2,535,000.

Staff recommends the Board commit funds to participate in an interest rate buydown with MWDSLs to buy the market rate down to a net effective interest rate of about 3%. The \$22,000,000 bonded indebtedness to the Board will be returned at 1% interest, over 25 years, with annual payments of approximately \$885,000 for the first 20 years, and approximately \$1,991,000 the last 5 years (includes reserves).

BOARD OF WATER RESOURCES
Committal of Funds



Applicant: **Syracuse City**

Project Number: RM110
Fund: Conservation and Development Fund
Total Cost: \$16,400,000

Application Received: 11/28/2022
Authorized: 10/5/2023
Board Meeting Date: 3/20/2024

Board Member: Kyle Stephens
Project Manager: Ann Baynard

Project Summary: The purpose of the project is to provide additional funding to purchase and install 8,879 secondary meters already in progress.

Recommendation: Staff recommends the Board commit 25.5% of the project cost, up to \$4,182,000, and that the bonded indebtedness be returned at 1% interest, over 15 years, with annual payments of approximately \$324,000 (includes reserves).

Project Contacts:

Mayor:
Dave Maughan
1979 West 1900 South
Syracuse, UT 84075
801-614-9636

Public Works Director:
Robert Whitely
3061 South 2400 West
Syracuse, UT 84075
801-825-7235

Engineer:
Brian Bloeman
Syracuse City Engineer
1979 West 1900 South
Syracuse, UT 84075
801-825-1477



Location

The proposed project is located in Syracuse City in Davis County.

Project Summary

In the August 4, 2022 board meeting, the Board of Water Resources committed 61% of the project cost as a secondary meter ARPA grant (RM029). While the maximum grant amount was \$10 million, that amount did not provide 70% of the costs of the Applicant’s meter project. The overall project includes the purchase and installation of about 8,879 secondary meters.

During the third application period, entities were allowed to apply for additional funding from a separate allocation of ARPA funds. In the October 5, 2023 board meeting the Board authorized and committed an additional \$1,479,000 in ARPA grant funds. The Board also authorized 25.5% of the project cost, up to 4,182,000 as a loan.

Cost Estimate & Sharing

The cost estimate and sharing remain as authorized:

Agency	Authorized Cost Sharing	% of Total
Board of Water Resources – Grant (RM110)	\$1,479,000	9.0%
Board of Water Resources – Grant (RM029)	10,000,000	61.0
Board of Water Resources - Loan	4,182,000	25.5
Applicant	739,000	4.5
TOTAL	\$16,400,000	100%

Repayment

Staff recommends the Board commit 25.5% of the project cost, up to \$4,182,000, and that the bonded indebtedness be returned at 1% interest, over 15 years, with annual payments of approximately \$324,000 (includes reserves).

BOARD OF WATER RESOURCES
Special Item – Modify Repayment Schedule



Applicant: **East Mill Creek Water Company**

Project Number: RE296
Fund: Revolving Construction Fund
Total Cost: \$155,000

Application Received: 04/11/2011
Authorized: 06/09/2011
Committed: 10/13/2011
Board Meeting Date: 03/20/2024

Board Member: Juliette Tennert
Project Manager: Marisa Egbert

Summary: The company received financial assistance from the Board to construct a new diversion and flume.

Recommendation: Staff recommends the Board amend the agreement to state that the remaining balance of \$16,000 be repaid without interest, in two annual payments of \$8,000.

Project Contact:

President: Andrew Greaves 3345 South Oakwood Street Millcreek, UT 84109 801-815-3110	Secretary: Lance Hobbs PO Box 9183 Millcreek, UT 84109 801-466-2190
---	--



Location

The project is located in Millcreek in Salt Lake County.

Project Summary

The Board provided funds in 2011 to construct a new diversion dam and flume. The project was completed in 2013, and the company made payments as required through 2019. Then the company changed officers, the Secretary moved from the area, and bills were not forwarded to the new Secretary. Payments due in 2020 and 2021 were not made because the new officers thought the payments were completed.

The principal balance was \$24,479.87 and when we were able to contact the correct company officers, the company made a payment of \$8,479.87, leaving a remaining balance of \$16,000. The company is requesting that the agreement be amended to allow the company to make two final payments of \$8,000.

Modification of Terms

Staff recommends the Board amend the agreement to state that the remaining balance of \$16,000 be repaid without interest, in two annual payments of \$8,000.

BOARD OF WATER RESOURCES
Special Item – Secondary Meter Funding Modification



Applicant: **Lehi City**

Project Number: RE479 & RM074

Fund: Small System Secondary Meter Grant
Conservation and Development Fund

Total Cost: \$14,286,000

Application Received: 2/5/2024 (RE479)

Authorized: 12/5/2023 (RM074)

Board Meeting Date: 3/20/2024

Board Member: Michael Davis

Project Manager: Tom Cox

Project Summary: The purpose of the project is to purchase and install approximately 5,700 secondary water meters. The Board previously authorized and committed 70% of the project cost, up to \$6,223,000, as an ARPA grant (RM074) to install about 3,550 of these 5,700 meters.

Recommendations: (RE479) Staff recommends the Board authorize and commit 26.4% of the project cost, up to \$3,776,500, as a Small System Secondary Meter Grant.

(RM074) Staff also recommends the Board authorize an additional \$1,376,000 in loan funds, for a total of 25.5% of the project cost, up to \$3,643,000, and that the bonded indebtedness be returned at 1% interest, over 15 years, with annual payments of approximately \$283,000 (includes reserves).

Project Contacts:

Mayor:
Mark Johnson
153 N. 100 E.
Lehi, UT 84043
385-201-1000

Meter Supervisor:
Justin Monson
2538 N. 300 W.
Lehi, UT 84043
385-201-1700

Engineer:
Lehi City Staff
2538 N. 300 W.
Lehi, UT 84043
385-201-1700



Location

The proposed project is located in Lehi City in Utah County.

Project Summary

In 2022, the City applied for the third round of ARPA funds to install approximately 5,700 meters (\$10,000,000 in ARPA grant and \$3,643,000 in loan funds). Because of limited ARPA funds, the Board authorized and committed \$6,223,500 in ARPA grant funds. The Board also authorized \$2,267,000 as a loan, which would fund the installation of about 3,550 secondary meters.

The Small System Secondary Meter Grants (SSMG) are separate from ARPA funds, and are available to cities, towns, or secondary systems with fewer than 5,000 connections. Lehi City has applied for a SSMG and an increase in loan funds to install an additional 2,150 secondary meters, for a total of 5,700 meters. However, this additional funding will still not be enough to install meters on all unmetered connections.

Cost Estimate & Sharing

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

Agency	Authorized Cost Sharing	% of Total	Proposed Cost Sharing	% of Total
BWRe Small System Secondary Grant (RE479)	\$0	0.0%	\$3,776,500	26.4%
BWRe ARPA Grant (RM074)	6,223,500	70.0	6,223,500	43.6
BWRe Loan	2,267,000	25.5	3,643,000	25.5
Applicant	400,500	4.5	643,000	4.5
TOTAL	\$8,891,000	100%	\$14,286,000	100%

Repayment

(RE479) Staff recommends the Board authorize and commit 26.4% of the project cost, up to \$3,776,500, as a Small System Secondary Meter Grant.

(RM074) Staff also recommends the Board authorize an additional \$1,376,000 in loan funds, for a total of 25.5% of the project cost, up to \$3,643,000, and that the bonded indebtedness be returned at 1% interest, over 15 years, with annual payments of approximately \$283,000 (includes reserves).

BOARD OF WATER RESOURCES

Application Summary



Applicant: **Peterson Pipeline Association**

Project Number: RE481
Fund: Revolving Construction Fund
Cost Estimate: \$1,040,000

Application Received: 03/01/2024
Board Meeting Date: 03/20/2024

Board Member: Kyle Stephens
Project Manager: Brad Caldwell

Project Contacts:

Board President: Ben Sessions 3800 W. 3900 N. Morgan, UT 84050 435-760-2844	Engineer: Derek Johnson Sunrise Engineering 5711 S. 1475 E., Suite 200 Ogden, UT 84403 801-643-3109
--	---

Location

The proposed project is located in Peterson, about eight miles northwest of Morgan, in Morgan County.

Proposed Project

The Applicant is requesting financial assistance from the Board to construct a wellhouse, associated well equipment, and about 1,200 feet of 8-inch pipeline to connect a new well to the Applicant's culinary system.

Anticipated Construction Start

November 2024

Water Rights

- 35-453
- 35-10387
- 35-5607



Secondary Meter ARPA Grant Deadline
Mar 20, 2024

Board Deadline Requested

The Board has authorized and committed \$250 million in ARPA grants for secondary meter projects. These funds must be contracted by December 31, 2024, and spent by December 31, 2026. The Board had set a deadline of January 1, 2024 for applicants to make a decision about their grant funds; however, due to changes to the secondary meter requirements this year, more applicants may not need the entire grant amount the Board has provided. The Board would like to use the allocated funds completely, and staff is recommending a new deadline be set for applicants to decide whether to use their grant.

Staff Recommendation

Staff recommends the Board set a deadline of May 17, 2024 for applicants to formally accept, reject, or request a modification to their existing grant.

Presented by Shalaine DeBernardi, Assistant Director

Bear River Development Updates
Corridor Preservation/Right-of-Way Acquisition
March 20, 2024

Acquisition Updates

- Parcel #1038
 - Tax ID #'s:
 - 01-040-0227
 - 02-055-0043
 - 02-055-0051
 - 02-055-0082
 - 02-055-0112
 - Undeveloped/Agriculture
 - Purchase type
 - Partial – strip
 - Dimensions
 - Size: 3.83 acres
 - ROW length: about 2,975 feet
 - Appraised value and purchase price
 - \$253,929
 - Closing Date
 - March 2024

- Parcel #1038
 - Tax ID #01-040-0160
 - Undeveloped residential lot
 - Purchase type
 - Entire lot
 - Dimensions
 - Lot size: 0.802 acres
 - ROW length: about 222 feet
 - Appraised value and Purchase price
 - \$110,100
 - Closing Date
 - 02/26/2021



Houses Updates

- Parcel #1019
 - Purchased - \$700k
 - Current appraisal - \$765k
 - ROW length: about 111 feet
- Parcel #1020
 - Purchased: \$535k
 - Current appraisal - \$709k
 - ROW length: about 130 feet
- Parcel #1016
 - Purchased: \$370k
 - Current appraisal - \$484k
 - Prior to remediation work
 - Mold remediation: \$40k
 - Structural repairs: \$25k (minimum)
 - ROW length: about 127 feet

Costs Include:

- Utilities – water, garbage, electricity, gas
- Closing costs, consultants, appraisals
- Repairs/cleanup
 - Yardwork, sprinkler system, broken window, broken fence panel, etc

Consultant Additional Funds

- Bowen, Collins & Associates
 - \$500,000 to continue the surveying and engineering

Rule Regarding Acquisition and Disposal of Real Property Interest for the Division

- Establishes that the Division may determine the fair market value of real property from a broker price opinion, a market analysis, or an appraisal.
- Identifies specific situations where these methods would not be required to establish the value
- Provides that the Division considers factors other than the monetary value in acquiring or disposing of property
- Division shall document the factors considered and the rationale for the purchase/sale
- Will be published on March 15th
- Will take effect on April 15th, if a public hearing is not needed

Total Committed: \$5,000,000

Total Spent to Date: \$3,791,959

Presented by Marisa Egbert, Bear River Planning Manager

Landscape Incentives & Landscape Water Savings Estimator
March 20, 2024

Background:

- Funded by HB 121 (2022), SB 118 (2023)
- \$5M one-time funding 2022, \$5M one-time funding 2023, \$3M ongoing funding
- Intention: Save water by replacing existing grass in non-functional areas with waterwise landscaping
- Cities and Counties must adopt ordinances for new construction before the landscape incentives program will be offered in their area
- A list of eligible cities can be found at conservewater.utah.gov/landscape-rebates/
- Partnerships with Central Utah, Jordan Valley, Washington County, and Weber Basin Water Conservancy Districts to make this program possible
- Administrative rules being updated to reflect areas needing improvement

Implementation:

- Launched May 1, 2023 through UtahWaterSavers.com to eligible cities
- Central Utah, Jordan Valley, Washington County, and Weber Basin Water Conservancy Districts are running landscape incentive programs in their areas with the help of state funds
- In areas outside of the conservancy district service areas, the Division of Water Resources is running the program
- Over 56% of the population lives in an eligible location
- Region-specific program requirements
- Over 3-million square feet of lawn removed in 2023

Looking Ahead:

- Standardizing how water savings is calculated through our Landscape Water Savings Estimator

Presented by Candace Schaible, Water Conservation Coordinator

Unapproved

BOARD OF WATER RESOURCES

BRIEFING MEETING

MINUTES

January 25, 2024

Utah Board of Water Resources

Board Briefing Meeting

January 25, 2024

10:00 AM

BOARD MEMBERS PRESENT

Vice Chair Mike Davis
Charles Holmgren
Brian Steed
Blaine Ipson
Spencer Jones
Kyle Stephens
Randy Crozier

BOARD MEMBERS (Excused)

Chair Juliette Tennert
Dana Van Horn

STAFF PRESENT

DNR Director Joel Ferry
Director Candice Hasenyager
Assistant Director Todd Stonely
Assistant Director Shalaine DeBernardi
Tom Cox
Ann Baynard
Ben Marett
Steven Gregerson
Marisa Egbert
Randy Staker
Russell Hadley
Shannon Clough
Rachel Shilton
Michael Sanchez
Ethan Stayner
Danyal Aziz
Mahmud Aveek
Olga Isupov
Hailey Kirlin
Jonathan Jennings
Craig Miller

Jake Serago
AV Team: Carmen McDonald, Seth Magers & Matt Morgan

WELCOME

VICE CHAIR MIKE DAVIS called the meeting to order at 10:04 AM and announced Board Members present. Chair JULIETTE TENNERT and Board Member DANA VAN HORN are excused.

DIRECTOR CANDICE HASENYAGER introduced staff present.

OATH OF OFFICE-NEW BOARD MEMBER DNR DIRECTOR JOEL FERRY

DR. BRIAN STEED, GREAT SALT LAKE COMMISSIONER, Sworn in as new board member representing interests of the Great Salt Lake.

Manager Rachel Shilton introduced new employees: Hailey Kirlin & Olga Isupov
Manager Craig Miller introduced new employees: Jonathan Jennings, Danyal Aziz & Mahmud Aveek.

DISCUSSION OF BOARD AGENDA ITEMS:

Approval of minutes: No changes. Will be approved.

<u>Project#</u>	<u>Applicant</u>	<u>County</u>	<u>Project Manager</u>
-----------------	------------------	---------------	------------------------

FEASIBILITY REPORTS:

RE475 Hyrum Blacksmith Fork Irrigation Company Cache Russell Hadley

Hyrum Blacksmith Fork Irrigation Company wants to replace their diversion structure that is badly deteriorating along with the head gates and about 2200 feet of pipe. The canal is built on a hillside, which causes safety concerns because there are homes located below the canal. They want to take care of it before something happens. The Applicant's unlined canal leaks substantially and has a lot of bush and tree growth on the banks, which makes it difficult to maintain. It is estimated that about 1,300 acre-feet of water is lost to seepage and plant growth along the canal. Project cost is \$460,000. Staff recommends the Board authorize 49.6% of the project cost, up to \$228,000, and that the project be purchased at 0% interest over 15 years with annual payments of approximately \$15,200.

KYLE STEPHENS in the map I notice there is a large section there that is identified as an existing, earthen ditch. Is that still in good order or is it something that they will be coming in the future to eventually pipe?

RUSSELL HADLEY Yes! They just didn't want to take on too much with this project. They figure with the diversion and a lot of clearing that they are going to be doing will be in the backyards of a lot of people, so they want to take care of the most dangerous areas and the areas they're most concerned about first.

BLAINE IPSON do they have the Agricultural Water Optimization Grant in hand? Did they just apply for it, or has it been approved?

RUSSELL HADLEY it has been approved.

COMMITAL OF FUNDS:

RE468 Liberty Pipeline Weber Ann Baynard

The project is to install a booster pump station and 11,000 linear feet of 8-inch PVC transmission line and a meeting house. This will help to make their system more drought resilient. They are going to connect the North and South zones. The cost estimate and sharing remain the same as reauthorized. Staff recommends the Board commit 27.2% of the project cost, up to \$1,000,000, and that the project be purchased at 0% interest, over 20 years, with annual payments of approximately \$50,000.

SPECIAL ITEMS:

RC023 Consolidated Sevier Bridge (Add DS Funds) Juab Tom Cox

Sevier Bridge Dam is owned and operated by the Consolidated Sevier Bridge Reservoir Company (made up of the Delta, Melville, Abraham, and Deseret irrigation companies and the Central Utah Water Company) more commonly known as Yuba Dam. This is a dam safety upgrade project. Phase I was completed in 2004. Phase II has included removing and replacing the existing spillway structure and gates, constructing an auxiliary spillway, improving the downstream foundation materials, adding a stability berm, and installing toe drains. Construction is nearly complete. As we calculate the final cost it has been determined that the project cost will be about \$1 million more than estimated. The Board committed funds for a \$26 million project, and it is now up to \$27 million. The company will be here today requesting \$900,000 in grant funds. Their company will be providing some donated materials, so they won't need to ask for any additional loan money. Staff recommends the Board commit an additional \$900,000 in dam safety grant funds, and that the contract be amended to state the Board will provide 90% of the project cost, up to \$24,300,000, as a dam safety grant.

BLAINE IPSON I've visited construction and it's really impressive. As a shareholder in four of the companies, I will recuse myself from voting for this item

The following projects will be withdrawn (without presentations)

RE453 Huntsville South Bench Canal Co. (Withdrawal) Weber Ben Marett/Ethan Stayner

RE316 Uintah Water Conservancy Dist. (Withdrawal) Uintah Joel Williams/Ethan Stayner

RE369 Box Elder & Perry Flood Control (Withdrawal) Box Elder Russell Hadley/Ethan Stayner

NEW APPLICATIONS:

RE476 King Irrigation Company Cache Ethan Stayner

INTEGRATING WATER INTO GENERAL PLANNING:

Rick Webster

Will be in the Board meeting to present.

BEAR RIVER DEVELOPMENT RIGHT-OF-WAY UPDATES:

MARISA EGBERT Just want to give a little background. But we are still in the planning stages and the need for this project continues to be pushed out. With a large diameter pipeline, we do need about 100 feet of right-of-way, which is why we're worried about this now. Gave background about why Water Resources owns homes, and how they're being used currently. Staff will have a recommendation and motion in the Board meeting to move forward with these homes.

DIRECTOR'S REPORT:

Candice Hasenyager

INFORMATION TO THE BOARD:

STATUS OF FUNDS:

SHALAIN DEBERNARDI

Reminded the Board about each of the fund basics - who is eligible and interest rates. Not a whole lot has changed since December. In the Revolving Construction Fund, we are asking you to withdraw one that's about \$224,000 and asking you to authorize one that's \$228,000, so we are replacing one with the other. The regular Revolving Fund isn't changing very much at all right now. The Dam Safety Funds are part of the Revolving Fund, so the additional \$900,000 being asked for today will reduce the amount available there.

Even though there aren't any projects listed (for dam safety), there are investigations underway that we will be bringing the Board projects in the near future for the \$19,000,000 that's available. We know where it needs to go, we just haven't had the chance to bring it to you yet.

The Cities Water Loan Fund, I told you I took off Millville City for almost \$1,600,000, but I couldn't find the withdrawal report, so we don't know if it's been officially withdrawn, so I put it back on. We still have a lot on record, and I think as we clean-up it will really help us with some of our balances if we could get them withdrawn. We do still have some funds available, even with the Hurricane City project that was authorized at the last meeting.

The C&D Fund a lot of it is going to the secondary meter projects along with the grants. If they need a loan this is where it comes from. We have one more project contracted. Not a lot of change. We still have some funds available, just not the balance that we sometimes carry. The secondary meter grants: there hasn't been change. The ARPA funds have all been authorized and/or committed at this point. However, there are some who are looking for exemptions and may be returning their funds. There's currently legislation to discuss possible changes, so there might be even more. So we'll still have to figure out what might be coming back, and how to get that out.

CANDICE HASENYAGER was going to have a legislative preview but specifically legislation changing the exemptions and who can be exempt, so potentially ramification is that more might be eligible for exemptions and if the Board has already authorized money, they may turn it back. We may have a chunk of money that we have got to figure out what to do with or there's also legislation that could expand the exemption for those that are exempt to use the money for another purpose if the Board authorizes it.

SHALAIN DEBERNARDI Hopefully we will have some more information to present to you at the March Board meeting. We do have one new application, and they are expecting to ask the Board for \$960,000. It is an Ag project so we could fund that from the Revolving Fund at 0%.

As some of you are aware of the Deer Creek intake project, the Board has committed \$65,000,000 towards their \$100,000,000 project. They are \$11,000,000 short of the total funding needed to pay for their project. They have asked the legislature for it a couple of times. The legislature told them no. They have mentioned to our staff that they would like to come back and ask the Board for additional funds. I'm not comfortable with that right now. They are not at the point yet that they need it. They would like to know that it is committed. It is a multi-year project. They have only spent about \$28,000,000 of the Boards funds of the \$65,000,000 you've committed. It's going to take several years for construction. I would rather they come to the Board for additional funds when we know what they really need. The other option they have right now is they do have the availability to ask for Federal Loan Funds. They will have a lot more requirements to meet, which would drive the cost of the total project up. They would rather not do that if they didn't have to. We want you to know about this today and let you know this is out there and let you discuss it.

MIKE DAVIS did they go back and look at potential savings pertaining to the \$11,000,000? Or are they just going off their projections?

TOM COX They have been doing this one a little differently. It's a CMGC so it's not a bid. They've been working with the contractor all along and his maximum bid puts them at the top of about \$100,000,000 with the engineering so hopefully it won't change much, but there is a possibility.

MIKE DAVIS have they already used up their contingency throughout the plan or is that not considered?

TOM COX I think there is still some contingency in there, but it's probably pretty much committed. The project is scheduled to be completed by the Spring of 2026, so there is a little bit of time to work through the Federal process if they need to.

BRIAN STEED What is the remaining capital stack? What are the rest of their funding sources?

TOM COX they are getting 17% (\$17,000,000) from Central Utah. And \$7,000,000 on their own. There was a time they applied to the Drinking Water Board, but when our funds were committed that was withdrawn. And it's my understanding that Drinking Water doesn't have much funding available.

SHALAIN DEBERNARDI I think it would be good to go back and look at the original project report when this was first presented to the Board just to understand the scope of how much of the State's water goes through that intake structure. This project is a significant benefit not to just Utah County but also a large number of Utah's population. I'm not completely comfortable with the Board providing them with \$11,000,000 myself. This is something we do need to discuss. If they want to submit an official request they can do that whenever they want to, but it would be a letter or email to Mike as the representative of the area, and then Tom would proceed with creating a report to bring to the Board.

CANDICE HASENYAGER They have tried other ways to get grant funding and have been unsuccessful.

RANDY CROZIER I know this project is extremely difficult because they are doing it underwater, which adds to the cost. I feel regardless of the cost the project is going to have to be completed. It's just a matter of how we make it all work. In reality, the project is going to get done.

CANDICE HASENYAGER To clarify the Board's position, it is to let the project proceed and come back later.

Board members agree.

INFORMATION TO THE BOARD:

Application for a potential project: Wallace's Peak Water Company

SHALAIN DEBERNARDI Wallace's Peak Water Company submitted an application for a project. They estimate the project is about \$10,000,000 to construct a dam. We accepted the application but were not sure what we could do with it. So, at the direction of the Board we got an Attorneys' opinion. Wallace's Peak Water Company is a company made up of a man and his two sons.

TOM COX It's a partnership so there's no formal shares. They pay for things on a percentage of costs.

SHALAIN DEBERNARDI So it's a company but they are family. The reason we brought it to the last briefing meeting is because the Board's guidelines do state that the Board will not fund projects sponsored by families, but this application was in the name of a company.

In an email, Attorney General Liz Harris stated the following: "Based on my reading of the statutes and rules, the Board has been given broad discretion to decide which projects it wishes to fund. Under Utah code-73-1-26(6) the board may fund a project for a wide variety of groups including incorporated groups, so long as it determines that the proposed project is in the best interest of the state and public. I looked up the corporate filings and confirmed that it is a registered LLC in good standing, so it technically would meet the requirement for being an incorporated group eligible to receive funding for a project. However, in Rule 653-2-2 the Board appears to have outlined additional factors it wishes to consider when determining whether or not a project is in the best public interest. In particular, those guidelines state that the Board will not fund a project sponsored by individuals or families. In this case, even though the project is being sponsored by an LLC, it is a closely held LLC completely owned by members of the same family. From the description of the project, it looks like the family will be the only ones who will benefit from the project. In my opinion, this project would fall under R653-2-2(1)(b)(iv) and is one that the Board has indicated it would not fund. I don't believe that the family incorporating as an LLC changes that determination."

The company also wanted to act as their own contractor on this project. The Board's guidelines indicate that they expect a competitive bid process before construction, although a company can act as its own contractor for small projects. But this is not a small project. We are uncomfortable with this application and considering the Attorney General's opinion, we will send a letter to the company stating that the Board will not consider their application based on their guidelines to not fund family projects. This project has not had any motion by the Board.

TOM COX explained that our staff geologist visited the site and doesn't believe it's a good site for a reservoir even if the Board was to consider it.

SPENCER JONES I will withdraw because of conflict of interest. If there is any voting I will abstain.

MIKE DAVIS If you have the ability, from a staff standpoint, to then reject the application based on what the Attorney General's office has written.

RANDY CROZIER I think to protect us you will need an official letter from the Attorney General.

OTHER ITEMS TO DISCUSS:

CANDICE HASENYAGER We have three different loan funds. The question we have for the Board is the potential to re-evaluate the Board's rules for projects, especially to enhance conservation practices for projects that come before the board.

SHALAANE DEBERNARDI There have been a few questions about current Board guidelines and rules. It's been four years since it was updated. So I've printed the Board guidelines for the Board to read to see if they would like any changes. We will have further discussion in the future. Let me know if you think there are some things we should consider updating or changing.

BRIAN STEED yes I think it is needed. In the last four years we have seen a lot of changes, and water generally in the state and water concerns. I think it's probably prudent for us to look at how we are doing business.

BLAINE IPSON I agree, and I think we need some time to look at them and not do anything today.

Exemption Status on secondary metering.

MARISA EGBERT all the money has been authorized and committed from the ARPA funds. We have about \$9,000,000 that is in limbo because there are systems that we know are interested in the current exemption options and they are working with Water Rights. We have met with Water Rights a few times because the penalties for their main exemption (subsection 13) don't hit until 2030, but we have a more urgent need. Water Rights is trying to flip around those applications that they have received for our sake. Some of those that are interested, we believe, have not applied yet for those exemptions.

There are two changes (in the legislature). One through Representative Snider saying the three options that go through the Division of Water Rights that you could be exempt. Only one of those was called out in 73-10-34.5 as saying, if you're exempt under this one you can use the ARPA funds for an alternative project, that will conserve more water than metering individual connections to the satisfaction of the Board of Water Resources. The change he is making is that all three of those exemptions could have that possibility (to use the funds for something else).

The other one Senator Hinkins is looking at 73-10-34 is the meat of Secondary Metering, where (73-10-)34.5 is about the ARPA funding. But talking about changing that same exemption that is for 1,000 connections or less, to 2,500 (connections) or less. Senator Hinkins said it will affect 2 systems. But of those that have applied for funding from us it could affect 13 systems, and 10 of those fall in the Great Salt Lake Basin. We have had a few different discussions about how to handle this from our standpoint. Those additional systems could jump us from \$9,000,000 to

potentially \$30,000,000 in limbo. No one else is asking for the money except for those larger systems that have already maxed out. So there's a lot going on.

CANDICE HASENYAGER we started the conversation of if this is what the legislature really wants to do, is there potential to raise the cap as well. Right now, the entities that could probably use the most money, and get it in the ground quickly, and still meet the deadlines are all capped out. That's another option we are looking at to see if this goes forward.

KYLE STEPHENS Senate Bill 125 - is Senator Hinkin's bill I read about. I had a number of questions. Marisa answered those questions. I did wonder about existing projects, one of the main concerns is supply chain issues. Is that still a concern, or have those issues been resolved? I just had the basic question: are we being concerned about conserving water, or hypocritical about exempting some of these and not conserving water? There was a big push a couple of years ago to do that, and now we're coming back and saying well maybe.

TOM COX as far as supply chain goes, Lehi City was the very first application the Board received and they were proactive, so they don't seem to be having a supply issue. Weber Basin is ordering a lot of meters and they're doing okay too. Water meter pits, the covers and radios are backed up a bit. Other smaller providers have placed orders and are just waiting for them to come in.

MARISA EGBERT we do have some entities that have started, but have said if these changes go through they will not complete their meter project. And if they want to do a different project, this cannot be used for ag. Funds could be used for an alternative project to conserve water (not agricultural water), and they would have to come back before the Board for approval.

CANDICE HASENYAGER it's been challenging with these changes and not knowing what the Legislature is going to do to enforce the January 1st deadline.

LEGISLATIVE UPDATE:

CANDICE HASENYAGER

I will hand out a list of Bills that we are tracking. The big one that impacts the Board is Rep. Snider's HB280 Water Related Changes. This bill drastically changes how water infrastructure projects could potentially be funded, or planned for in the future. His idea is to create a Unified Water Infrastructure plan in conjunction with the other water funding agencies, similar to what Transportation does in planning for their projects. This could really change the way things are done. It also requires the Board to do a study on charging a fee for infrastructure to water providers for each end user. This would be some sort of fee that would go on a water bill, and then the State would collect. Then the Boards would distribute it out. Then the fee would be implemented in 2027.

MIKE DAVIS Water is not like transportation, so how is this feasible?

CANDICE HASENYAGER It really is a big concern for us, how we will go about this and how it will all be done. It is not simple, and will take time.

KYLE STEPHENS What kind of support is there in the legislature?

CANDICE HASENYAGER There are a lot of concerns in the water community, but there is leadership support for the bill.

ADJOURNMENT

CHARLES HOLMGREN made the motion to adjourn. The meeting adjourned at 11:57 AM.

TABLE OF CONTENTS

SUMMARY OF BOARD ACTIONS	ii
THOSE PRESENT	iii
MINUTES.....	1
FEASIBILITY REPORTS.....	1-2
COMMITTAL OF FUNDS.....	2
SPECIAL ITEMS.....	2-3
DIRECTOR'S REPORT	4-5
ADJOURNMENT.....	5

SUMMARY OF BOARD ACTIONS

JANUARY 25, 2024

1. BLAINE IPSON moved to approve the meeting minutes from December 5, 2023. KYLE STEPHENS seconded the motion. All voted in favor and the motion passed.
2. RE475 Hyrum Blacksmith Fork Irrigation Company CHARLES HOLMGREN moved the Board authorize 49.6% of the project cost, up to \$228,000, and that the project be purchased at 0% interest, over 15 years, with annual payments of approximately \$15,200. RANDY CROZIER seconded the motion. All voted in favor and the motion passed.
3. RE468 Liberty Pipeline Company KYLE STEPHENS moved the Board commit 27.2% of the project cost, up to \$1,000,000, and that the project be purchased at 0% interest, over 20 years, with annual payments of approximately \$50,000. MIKE DAVIS seconded the motion. All voted in favor and the motion passed.
4. RC023 Consolidated Sevier Bridge (Add'l Dam Safety Funds) SPENCER JONES moved the Board commit an additional \$900,000 in dam safety grant funds, and that the contract be amended to state the Board will provide 90% of the project cost, up to \$24,300,000, as a dam safety grant. KYLE STEPHENS seconded the motion. All voted in favor and the motion passed.
5. BEAR RIVER DEVELOPMENT RIGHT-OF-WAY. CHARLES HOLMGREN moved the Board approves the selling of the properties on the open market, barring another agency leasing or purchasing the properties. BRIAN STEED seconded the motion. All voted in favor and the motion passed.
6. ADJOURNMENT BLAINE IPSON made the motion to adjourn the meeting. The meeting adjourned at 2:01 PM.

THOSE PRESENT

BOARD MEMBERS PRESENT

Chair Juliette Tennert
Charles Holmgren
Mike Davis
Randy Crozier
Blaine Ipson
Spencer Jones
Kyle Stephens
Brian Steed

BOARD MEMBERS (Excused)

Dana Van Horn

STAFF PRESENT

Director Candice Hasenyager
Assistant Director Todd Stonely
Assistant Director Shalaine DeBernardi
Tom Cox
Ann Baynard
Ben Marett
Steven Gregerson
Marisa Egbert
Ethan Stayner
Brad Caldwell
Jonathan Jennings
Michael Sanchez
Rachel Shilton
Randy Staker
Russell Hadley
Shannon Clough
Rick Webster
AV Team: Carmen McDonald and Seth Magers

OTHERS PRESENT

Claire Peterson/President, Hyrum Blacksmith Fork Irrigation Company (online)
Scott Woolstenhulme/Watermaster, Hyrum Blacksmith Fork Irrigation Company (online)
Rod Garner/Board Member, Hyrum Blacksmith Fork Irrigation Company (online)
Branden Parker/Board Member, Hyrum Blacksmith Fork Irrigation Company (online)

Chad Brown, Franson Civil Engineers (online)

Carl Withers, Franson Civil Engineers (online)

Jared Smith/President, Delta Canal Company (online)

Utah Board of Water Resources
Board Meeting
January 25, 2024
1:00 PM Board Meeting
Department of Natural Resources
1594 W. North Temple, Salt Lake City

CHAIR JULIETTE TENNERT called the meeting to order at 1:00 PM. Board members introduced themselves, and DANA VAN HORN is excused from this meeting.

DIRECTOR CANDICE HASENYAGER announced staff present. Others present were announced as their project was presented.

APPROVAL OF MINUTES:

BLAINE IPSON moved to approve the meeting minutes from December 5, 2023. KYLE STEPHENS seconded the motion. All voted in favor and the motion passed.

NRCS SNOW REPORT:

Dave Ericksson provided an update on current snow conditions to the Board.

CHAIR JULIETTE TENNERT I just want to note that we take public comment during the meeting, and then we also take public comments online. No public comments were submitted online for any of the items on the agenda today.

<u>Project #</u>	<u>Applicant</u>	<u>County</u>	<u>Project Manager</u>
-------------------------	-------------------------	----------------------	-------------------------------

FEASIBILITY REPORTS:

RE475	Hyrum Blacksmith Fork Irrigation Company	Cache	Russell Hadley
-------	--	-------	----------------

The proposed project is located east and northeast of Hyrum in Cache County. The Applicant serves agricultural water to 88 shareholders, irrigating approximately 2,130 acres. Water is delivered through an unlined canal, and a canal that has been piped, with water diverted from the Blacksmith Fork River. The Applicant has never received funding from the Board. The Applicant's unlined canal leaks substantially and has a lot of bush and tree growth on the banks, which makes it difficult to maintain. It is estimated that about 1,300 acre-feet of water is lost to seepage and plant growth along the canal. In some areas, the canal is built on a hillside, which causes safety concerns because there are homes located below the canal. In

addition, the diversion structure on the Blacksmith Fork River is deteriorating and needs to be replaced.

The Applicant is requesting financial assistance to replace sections of the unlined canal with about 2,200 feet of pipe and install a new diversion structure with three headgates. The Applicant plans to pipe the remaining unlined sections in the future. The project will reduce seepage and evaporation from the open unlined canals, increase public safety, and reduce maintenance on the problem areas of the canal. The company expects to have an increased yield on their varying crops due to the increase in water available for irrigating from the reduced seepage, and reduced operation and maintenance costs.

Staff recommends the Board authorize 49.6% of the project cost, up to \$228,000, and that the project be purchased at 0% interest over 15 years with annual payments of approximately \$15,200.

CHARLES HOLMGREN looks like a good project and their entire Board is very involved.

CHARLES HOLMGREN moved the Board authorize 49.6% of the project cost, up to \$228,000, and that the project be purchased at 0% interest, over 15 years, with annual payments of approximately \$15,200. RANDY CROZIER seconded the motion. All voted in favor and the motion passed.

COMMITTAL OF FUNDS:

RE468 Liberty Pipeline Company Weber Ann Baynard

The project was reauthorized at the December Board meeting, and we are here today to commit the funds for the project. The project will include constructing a building with a booster pump station and a meeting room, and the installation of about 2 miles of an 8-inch transmission pipeline. The transmission pipeline will connect the North and South zones for the overall system to be drought resilient. The cost estimate and sharing remain as reauthorized. Staff recommends the Board commit 27.2% of the project cost, up to \$1,000,000, and that the project be purchased at 0% interest, over 20 years, with annual payments of approximately \$50,000.

KYLE STEPHENS moved the Board commit 27.2% of the project cost, up to \$1,000,000, and that the project be purchased at 0% interest, over 20 years, with annual payments of approximately \$50,000. MIKE DAVIS seconded the motion. All voted in favor and the motion passed.

SPECIAL ITEMS:

RC023 Consolidated Sevier Bridge (Add'l Dam Safety Funds) Juab Tom Cox

Sevier Bridge Dam is owned and operated by the Consolidated Sevier Bridge Reservoir Company. It's commonly known as Yuba Dam, with a state park there. The dam was originally constructed in the early 1900s and enlarged to its current configuration in 1916. It is a high hazard dam rated by the State Engineer's office. It's in need of minimum standard upgrades.

Phase I of the dam safety upgrade project was completed in 2004, and because there weren't enough state funds available at that time they had to break it up into a phased project. For Phase II, the Board committed funds about a year ago that mainly included removing and replacing the existing spillway structure and gates, constructing an auxiliary spillway, improving the downstream foundation materials, adding a stability berm and installing toe drains. Construction is nearly complete. As the project winds down it has been determined that the project cost will be about \$1 million more than estimated. This is due to the cost of the auxiliary spillway (the design of which was finalized towards the end of the project), the determination of the value of materials donated by the Applicant, and several change orders throughout the process. The project cost is looking closer to about \$27,000,000 so the company is asking for additional grant funds to complete the project. Staff recommends the Board commit an additional \$900,000 in dam safety grant funds, and that the contract be amended to state the Board will provide 90% of the project cost, up to \$24,300,000, as a dam safety grant.

BLAINE IPSON will refrain from making a motion or voting because of conflict of interest as a stakeholder.

JARED SMITH thank you to the Board for your support.

CHARLES HOLMGREN what is the anticipated construction schedule, or completion date?

JARED SMITH We don't have one yet. They need to do some work on the north end of the north spillway. Construction is about to wrap up right now so that is just an additional part of that. That should be finished about early spring. We don't have an exact date, but shortly.

SPENCER JONES moved the Board commit an additional \$900,000 in dam safety grant funds, and that the contract be amended to state the Board will provide 90% of the project cost, up to \$24,300,000, as a dam safety grant. KYLE STEPHENS seconded the motion. All voted in favor and the motion passed.

WITHDRAWALS:

RE453 Huntsville South Bench Canal Company Weber Ben Marett/Ethan Stayner
RE316 Uintah Water Conservancy District Uintah Joel Williams/Ethan Stayner
RE369 Box Elder County & Perry City Flood Control District Box Elder Russell Hadley/Ethan Stayner

RANDY CROZIER moved to withdraw RE453 Huntsville South Bench Canal Company, RE316 Uintah Water Conservancy District and RE369 Box Elder County & Perry City Flood Control District from further consideration by the Board. MIKE DAVIS seconded the motion. All voted in favor and the motion passed.

NEW APPLICATIONS:

RE476 King Irrigation Company Cache Ethan Stayner

INTEGRATING WATER INTO GENERAL PLANNING:

RICK WEBSTER, Project Specialist, presented a report to the Board on Growing Water Smart Workshops and helping communities integrate water into their general planning.

BEAR RIVER DEVELOPMENT RIGHT-OF-WAY UPDATE:

MARISA EGBERT summarized the report in the board folder discussing the properties and right-of-way purchased for the Bear River Development Project.

Three properties with houses were purchased as part of a potential ROW corridor. These properties are no longer part of the potential prioritized right-of-way. We had discussions with the Utah Division of Parks about purchasing the properties for the Willard Bay State Park staff; however, they do not have the funding to purchase the properties.

We plan to have further discussion with other agencies to see if there is any interest in potentially leasing the properties for their staff. This would include them paying all the costs of maintenance and management of the properties (yard care, utilities, remodeling, appliances, furniture, etc.).

In the absence of another agency leasing or purchasing the properties, staff recommend selling the homes on the open market.

Staff recommends the Board approve the selling of the properties on the open market, barring another agency leasing or purchasing the properties.

CHARLES HOLMGREN moved the Board approves the selling of the properties on the open market, barring another agency leasing or purchasing the properties. BRIAN STEED seconded the motion. All voted in favor and the motion passed.

DIRECTOR'S REPORT:

Candice Hasenyager

I presented on Monday at the Natural Resources, Agriculture, and Environment Appropriations Committee. I was able to present for Water Resources, and share all the cool things our office and the Board have done over the last year. We created a document called "Water for Utah". It summarizes all the highlights, I will share it with you in an email.

We have a number of bills that will impact the Board. HB280 called "Water Related Changes" by Representative Snider. We also discussed a bill focused on the statute about secondary metering requirements. Representative Ballard has a bill to study water usage in schools that we would be responsible to do. It's a long list, and we gave you a copy of that list, that could impact us.

- An update of our 2022 Water Budget is completed and available on our open data site..
- Great Salt Lake Basin Integrated Plan: We were able to release a draft work plan. We are now working to finalize the Plan so we can implement it over the next few years. We're coordinating with the GSL Commissioner's Office regarding their strategic plan that was recently released, so we can all work together.

- The lawsuit was filed about Great Salt Lake against the Department of Natural Resources, Division of Water Rights, and Division of Forestry, Fire and State Lands. There were motions to dismiss that lawsuit by those entities. The Board will have time to intervene if needed.
- Watershed Councils: There's been a great effort over the last several years. We've established the state Watershed Council, all the councils within the Great Salt Lake Basin, so Bear, Weber, Jordan and West Desert, and Uintah too. Just over a week ago the Kanab Creek, Virgin River and Sevier Watershed Councils were formed. So there are only a few left to complete.
- The Colorado River negotiations are continuing. The Seven basin states are working to get a consensus alternative by March 10th.

ADJOURNMENT

BLAINE IPSON made the motion to adjourn the meeting. The meeting adjourned at 2:01 PM.