

BOARD OF WATER RESOURCES

BOARD MEETING

PLAN



CONSERVE



DEVELOP



PROTECT



MAY 9, 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
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7	8	9	10	11	12	13
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February

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April

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May

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August

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September

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November

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December

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- **January 25 (Thurs) Salt Lake City**
- **March 20 (Wed) St. George**
- **May 9 (Thurs) Salt Lake City**
- **June 20 (Thurs) Salt Lake City**
- **August 15 (Thurs) TBD**
- **October 10 (Thurs) Salt Lake City**
- **December 11 (Wed) Salt Lake City**

Agenda
Utah Board of Water Resources
Board Briefing Meeting

MAY 9, 2024

10:00 am

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
May 9, 2024

10:00 AM Briefing

1:00 PM Board Meeting

Department of Natural Resources Auditorium
1594 W. North Temple, Salt Lake City, UT 84114

Link to presentations and public comment form:

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

Livestream Links

Briefing Meeting: <https://youtube.com/live/X1j3Wh2pbi0>

Board Meeting: https://youtube.com/live/67_PRYxjfwY

APPROVAL OF MINUTES

NRCS SNOW REPORT:

Claire Stellick, NRCS

<u>Project #</u>	<u>Applicant</u>	<u>County</u>	<u>Project Manager</u>
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FEASIBILITY REPORTS:

RE476	King Irrigation Company	Cache	Ethan Stayner
RE478	Wellsville-Mendon Conservancy District	Cache	Tom Cox

COMMITTAL OF FUNDS:

RC067	Twin Creeks Special Service Dist. (Jones Dam)	Wasatch	Ethan/Tom
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NEW APPLICATIONS:

RE482	Davis and Weber Counties Canal Company (1800 North Pipeline)	Davis	Ann Baynard
RE483	Davis and Weber Counties Canal Company (MIDA Canal)	Davis	Ben Marett
RE484	Haight Creek Irrigation Company (SSMG)	Davis	Ethan Stayner
RE485	Grantsville City (2MG Water Tank)	Tooele	TBD

PROJECT UPDATE - WEST CACHE IRRIGATION COMPANY

Ethan Stayner, Project Manager

WATERSHED COUNCILS UPDATE:

Carly Payne, Watershed Councils Coordinator

DIRECTOR'S REPORT:

Candice Hasenyager

ADJOURNMENT

BOARD OF WATER RESOURCES

REVOLVING CONSTRUCTION FUND - REGULAR PROJECTS

**Funding Status
May 9, 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 King Irrigation Company	RE476	960,000	05/09/24
4 West Cache Irrigation Company	RE480	<u>425,000</u>	03/20/24
Total Funds Authorized		\$ 2,612,000	
Remaining Funds Available	(End of year balance if all listed projects were fully paid)	\$ 3,301,000	

* To be presented at Board Meeting

BOARD OF WATER RESOURCES

REVOLVING CONSTRUCTION FUND - DAM SAFETY

**Funding Status
May 9, 2024**

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

Projects Contracted This FY

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

Projects with Funds Committed

1 Consolidated Sevier Bridge Reservoir Company	RC023	**Grant	\$ 900,000 (Add'l Amt.)	01/25/24
* 2 Twin Creeks Special Service District (Jones)	RC067	**Grant	1,840,000	05/09/24
3 Washington County Flood Contr. Auth. (Warner)	RC049	**Grant	212,000	03/22/17
4 Washington County Flood Contr. Auth. (Stucki)	RC050	**Grant	<u>88,400</u>	03/22/17
Total Funds Committed			\$ <u>3,040,000</u>	
Funds Balance			\$ <u>17,364,000</u>	

Projects Authorized

1 None			\$ <u>-</u>	
Total Funds Authorized			\$ <u>-</u>	
Remaining Funds Available			(End of year balance if all listed projects were fully paid) \$ <u>17,364,000</u>	

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

BOARD OF WATER RESOURCES

CITIES WATER LOAN FUND

**Funding Status
May 9, 2024**

Funds Available for Projects This FY		\$ 17,814,000	
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Bonds Closed This FY			
1 None		\$ -	
Total Bonds Closed		\$ -	
Funds Balance		\$ 17,814,000	
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Projects with Funds Committed			
1 None		\$ -	
Total Funds Committed		\$ -	
Funds Balance		\$ 17,814,000	
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Projects Authorized			
1 Hurricane City	RL591	\$ 12,665,000	12/05/23
2 Millville City	RL587	1,598,000	12/05/19
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
May 9, 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 Metropolitan Water District of Salt Lake & Sandy	RL590		22,000,000		04/09/24
15 Morgan Secondary Water Association	RM086	**	640,000		02/02/24
16 Moroni City	RM059	**	346,000		07/13/23
17 Roy Water Conservancy District	RM112	**	1,839,000		10/05/23
18 Summit Creek Irrigation and Canal Co (Phase 4)	RE308		317,700	(Add'l Amt.)	10/02/23
19 Syracuse City	RM110	**	4,182,000		04/02/24
20 Wellington City	RM058	**	484,000		11/09/23
21 Wolf Creek Irrigation Company	RM067	**	132,600		12/20/23

Total Funds Contracted/Closed					\$ 50,545,000
Funds Balance					\$ 59,327,000

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 Mountain View Irrigation Company	RM033	**	743,000		12/06/22
4 Newton Water Users Association	RM044	**	92,000		09/15/22
5 North Summit Pressurized Irrigation Company	RM055	**	213,000		09/15/22
6 Richmond Irrigation & Power Company	RM010	**	606,000		10/27/22
7 Smithfield Irrigation Company	RM054	**	1,020,000		09/15/22
8 South Ogden Conservation District	RM113	**	1,389,000		10/05/23
9 Weber-Box Elder Conservation District	RM114	**	1,728,000		10/05/23

Total Funds Committed					\$ 15,247,000
Funds Balance					\$ 44,080,000

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 Wellsville-Mendon Conservancy District	RE478	1,393,000	05/09/24
7 Woodruff Irrigating Co	RE365	<u>3,200,000</u>	03/18/15
Total Funds Authorized			\$ 23,390,000
Funds Balance			\$ 20,690,000

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	**	3,643,000	03/20/24
14 Liberty Irrigation Association	RM041	**	204,000	01/19/23
15 Loa Town	RM075	**	97,000	08/04/22
16 Minersville Reservoir and Irrigation Company	RM098	**	182,000	03/22/23
17 Monroe City	RM092	**	780,000	03/22/23
18 Mt. Pleasant City	RM085	**	729,000	03/22/23
19 Nephi Irrigation Company	RM062	**	350,000	08/04/22
20 Newton Town Sprinkling Company	RM045	**	132,000	08/04/22
21 North Logan Sprinkling Company	RM030	**	61,000	08/04/22
22 Panguitch City	RM096	**	472,000	03/22/23
23 Paradise Irrigation & Reservoir Company	RM064	**	695,000	08/04/22
24 Richards Irrigation Company	RM051	**	145,000	08/04/22
25 Sand Creek Irrigation Company	RM097	**	107,000	03/22/23
26 South Davis Water District	RM022	**	1,317,000	08/04/22
27 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)		\$ 2,007,000

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

BOARD OF WATER RESOURCES

SMALL SYSTEM SECONDARY METER GRANT FUNDS

**Funding Status
May 9, 2024**

<u>Funds Available for Projects This FY</u>	<u>\$ 4,000,000</u>
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Projects Contracted This FY

1 None	\$ -
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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	3,776,500	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
May 9, 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
May 9, 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	<u>\$10,000,000</u>

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	<u>\$ -</u>

* To be presented at Board Meeting

BOARD OF WATER RESOURCES

May 9, 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 Davis & Weber Counties Canal Company	RE482	C&D	2,900,000	\$3,412,000	04/02/24
* 4 Davis & Weber Counties Canal Company	RE483	C&D	3,200,000	\$7,525,000	04/18/24
5 Ferron Canal & Reservoir Co	RE320	C&D	2,720,000	3,200,000	10/11/12
6 Glendale Irrigation Co	RE408	C&D	1,109,000	1,305,000	02/08/18
7 Glenwood Town (NRCS Dam Safety Grant)	RC056	RCF	969,000	3,568,000	05/10/18
* 8 Grantsville City	RE485	C&D	3,265,000	3,840,000	04/19/24
* 9 Hights Creek Irrigation Co	RE484	SSMG	2,221,000	5,315,000	04/24/24
10 Hooper Irrigation Co (Press Irr, Ph 3+)	RE060R3	C&D	11,033,000	12,980,000	01/25/02
11 Morgan City	RL589	CWL	2,552,000	6,004,200	08/19/22
12 Peterson Pipeline Association	RE481	RCF	885,000	1,040,000	03/01/24
13 Sanpete WCD (Narrows Dam)	RD377	C&D	29,325,000	34,500,000	04/07/83
14 Settlement Canyon Irrigation Co (Phase 2)	RE240	C&D	552,500	650,000	10/02/08
15 Weber Basin WCD	RE312	C&D	85,000,000	100,000,000	04/16/12
16 Wellsville-Mendon Conservation District	RE364	C&D	680,000	800,000	03/18/15
Subtotal			\$ 147,379,000	\$ 186,339,000	

* New Application

BOARD OF WATER RESOURCES
Feasibility Report



Applicant: **King Irrigation Company**

Project Number: RE476
Fund: Revolving Construction Fund
Cost Estimate: \$3,380,000

Application Received: 8/16/2023
Board Meeting Date: 5/9/2024

Board Member: Charles Holmgren
Project Manager: Ethan Stayner

Project Summary: The purpose of the project is to replace three miles of unlined canals with pressurized pipe. The project will also replace two inefficient and failing pump stations with one pump station.

Recommendation: Staff recommends the Board authorize 28.4% of the project cost, up to \$960,000, and that the project be purchased at 0% interest over approximately 18 years with annual payments of \$56,000.

Project Contacts:

President:
Lynn Egley
3986 N. 2400 W.
Benson, UT 84335
435-994-6329

Secretary:
Kenton Reese
4591 N. 2400 W.
Benson, UT 84335
435-363-5975

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



Location

The proposed project is located in the northeast section of Benson, northwest of Logan, in Cache County.

Introduction & Background

This is the first time King Irrigation Company has applied for funding from the Board of Water Resources (the Board). King Irrigation Company (King) will combine with Reese Clark Pump and Irrigation Company (Reese Clark) to create a new service area serving 509 acres with 19 shareholders.

The existing systems include two pump houses, one each for Reese Clark and King. The pumps currently pull water from a sharp bend in the Bear River about 3.5 miles southwest of Smithfield. The water is pumped up the side slope of the river into an unlined canal that carries the water to the service area. The water travels through a series of unlined and concrete-lined canals to the various fields.

Existing Conditions & Problems

Overall, this is an old system that is overdue for some upgrades. The concrete-lined canals are old enough that, with the state of decay, they could be considered unlined. Because of the unlined and inefficient concrete-lined canals and the use of flood irrigation, about 35-40% of water is lost to seepage.

The pumps at both pump stations are aging and failing. At the river diversion point, a lot of sand is pulled through the pumps and into the canal system. The current pumps only have enough power to pump the water from the diversion point on the Bear River into the canal system. New pumps will be needed to pressurize the combined systems adequately.

Proposed Project

The purpose of this project is to replace three miles of unlined and inefficient concrete-lined canals with pressurized pipe in the combined service area. It will also replace two inefficient and failing pump stations with one pump station that will provide pressurized water for the entire system.

The two existing pump stations will be combined into one pump house with three variable frequency drive pumps. The diversion point will be relocated, and a screening structure will be constructed for the pump station intake, which will reduce the amount of sand entering the system.

The three miles of canals in the two existing systems will be replaced with various sizes of PVC piping. This pressurized system will provide more efficient water delivery to the property owners. There will also be a SCADA system installed to track usage and help optimize the most efficient draws and delivery of Bear River water.



Benefits

Energy and water will be used more efficiently through the improvements undertaken in this project. This project will improve the sustainability of these rural communities by providing shareholders with a more reliable irrigation system. Additionally, pressurizing the canals will reduce flooding, reduce risk of crop damage, and allow for irrigators to upgrade their on-farm watering methods. The labor currently required to change the flow of the canal will be reduced significantly and the pumps will be in one location. The SCADA telemetry system will allow for remote control of the pump station.

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
Pipe Construction					
1	Mobilization & Traffic Control	1	LS	\$216,000	\$216,000
2	Procure PVC Pipe (4" to 30")	18,250	LF	32.66	\$596,000
3	Install PVC Pipe (4" to 30")	18,250	LF	20.88	\$381,000
4	Imported Pipe Bedding	18,250	LF	9.04	\$165,000
5	Irrigation Service Connections (4" to 10")	24	EA	8,250	\$198,000
6	Valves (4" to 24")	6	EA	7,000	\$42,000
7	Jack & Bore	40	LF	2,500	\$100,000
8	Remove/Replace Road Materials	1	LS	13,000	\$13,000
9	Materials and Sample Testing	1	LS	10,000	\$10,000
10	Air Relief Valve	6	EA	4,000	\$24,000
11	SCADA Service Connection Instrumentation	24	LS	2,500	\$60,000
12	Pipeline Drain	3	EA	4,000	\$12,000
Pump Station					
13	Diversion Pump Station	1	LS	400,000	\$400,000
14	Site Work	1	LS	50,000	\$50,000
15	Screening Structure	1	LS	120,000	\$120,000
16	Electrical Equipment and Service	1	LS	340,000	\$340,000
17	SCADA Instrumentation, Control & MTU/HMI	1	LS	100,000	\$100,000
Construction Cost					\$2,827,000
Contingency					182,000
Design & Construction Engineering					324,000
Legal and Administrative					25,000
Permits, Fees & Testing					22,000
TOTAL					\$3,380,000



Cost Sharing & Repayment

The recommended cost sharing and repayment are:

Agency	Cost Sharing	% of Total
Board of Water Resources	\$960,000	28.4%
BOR WaterSMART Grant	\$1,000,000	29.6
UDAF Grant	\$1,250,000	37.0
Applicant	\$170,000	5.0
TOTAL	\$3,380,000	100%

As much as \$1,000,000 of funding from the Bureau of Reclamation (BOR) has been awarded to the Applicant (WaterSMART grant). The Applicant has also been awarded up to \$1,250,000 of funding by the Utah Department of Agriculture and Food (UDAF) through the Agriculture Water Optimization Grant program.

Staff recommends the Board authorize 28.4% of the project cost, up to \$960,000, and that the project be purchased at 0% interest over approximately 18 years with annual payments of \$56,000.

Economic Feasibility

Zions Public Finance, Inc. (Zions) completed an economic analysis for the project. This project has a positive benefit-cost ratio of 1.42 after 20 years of operation. This ratio is calculated by comparing the net present value (over 20 years) of the net impacts (increased revenues from crop production and slightly higher operating costs) to the total capital cost (\$3,380,000) of the project. When the net impacts are compared to the contribution by the Board (\$960,000), the benefit-cost ratio is 4.99 over 20 years.

Financial Feasibility

The Applicant expects to see an increase in crop yield. The economic feasibility by Zions indicates that the increased yield will equate to an annual revenue increase of \$385,000. Though there will be reduced costs for operation and maintenance, there will also be increased pumping costs. These are enumerated in the table below.

New sprinkler costs for the shareholders are expected to be about \$181,000 annually. This was determined by looking at costs per acre for two shareholders for both pivots and wheel lines. Using a weighted average, these values were applied over the 509 acres that are supplied by King and Reese Clark. By multiplying the estimated benefit (\$199,500) by the Board's cost share (28.4%), the recommended annual repayment is \$56,000.

Benefit	Amount
Estimated Annual Net Increased Crop Income	\$385,000
Reduced Operation & Maintenance Costs	3,500
Increased Pumping Costs	-8,000
New Sprinkler Costs	-181,000
NET ANNUAL BENEFIT	\$199,500



Water Rights & Supply

The Applicant has three water rights related to this project. 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)
25-5087	4.47
25-4647	2.0
25-6436	8.0

Easements

The existing canals are on land owned by King or Reese Clark.

Water Conservation

This project will save about 567 acre-feet of water each year.

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 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.
6. Create and submit an agreement between the two companies regarding the operation and maintenance of the system and repayment of the funding.
7. Obtain letters from all outside financing agencies establishing their commitment of funds to the project.

Applicant: **Wellsville-Mendon Conservancy District**

Project Number: RE478
Fund: Conservation and Development Fund
Cost Estimate: \$3,139,000

Application Received: 1/5/2024
Board Meeting Date: 5/9/2024

Board Member: Charles Holmgren
Project Manager: Tom Cox

Project Summary: The proposed project includes installing approximately 3.3 miles of 8-inch to 36-inch diameter PVC pipe to enclose the remaining stretches of the Upper Wellsville-Mendon Canal. The project also includes the installation of a booster pump station and meters for 33 turnouts.

Recommendation: Staff recommends the Board authorize 44.4% of the project cost, up to \$1,393,000, and that the bonded indebtedness be returned at 1.38% interest over 15 years with annual payments of approximately \$111,000 (including reserves).

Project Contacts:

President:
Quinn Murray
691 South 200 West
Wellsville, UT 84339
435-232-8207

Secretary:
Angie Murray
PO Box 336
Wellsville, UT 84339
435-770-5633

Engineer:
Chad Brown
Franson Civil Engineers
459 South Main, Suite 200
Logan, UT 84321
435-754-7661



Location

The proposed project is located southeast of Wellsville in Cache County.

Introduction & Background

Wellsville-Mendon Conservancy District supplies irrigation water to approximately 3,800 acres of agricultural land, as well as lawns and gardens, in the communities of Wellsville and Mendon. Water is delivered through a Bureau of Reclamation project that includes Hyrum Reservoir and the Upper and Lower Wellsville-Mendon canals.

The Applicant has received funding from the Board on four previous occasions for canal improvements. Two of the projects have been repaid with the remaining two scheduled to be paid off in 2026 and 2041, respectively.

Existing Conditions & Problems

The Upper Wellsville-Mendon Canal is approximately 5.1 miles long and serves about 834 agricultural acres and 76 residential lawn and gardens. The canal is also known as the "Pump Canal" because water is pumped from Hyrum Reservoir's discharge area up to the canal. The Applicant has piped approximately 1.8 miles of the canal. About 3.3 miles of the canal is still open. Some of the water users have installed their own pumps on the canal to pressurize their individual irrigation systems. Approximately 50 acres of farm ground are watered using flood irrigation.

It is estimated that about 578 acre-feet of water is lost annually due to seepage and evaporation from the open section of the canal. It is also difficult to manage flow in the open canal, which sometimes results in excess water being wasted at the end.

Proposed Project

The proposed project includes installing approximately 3.3 miles of 8-inch to 36-inch diameter PVC pipe to enclose the remaining stretches of the Upper Wellsville-Mendon Canal. A booster pump will be installed near the head of the pipe to pressurize the entire pipeline. Meters will be installed on 33 turnouts.

It is anticipated the work will be accomplished over two years. Installation of the pipe, located between 3200 West and Highway 89, will begin in fall 2024. The remaining pipe and booster pump will be completed during the following fall and winter.

Technical assistance is being provided by Franson Civil Engineers in Logan.

Benefits

It is anticipated that about 578 acre-feet of water will be conserved with the completion of the proposed project. Management of the system will be simplified, O&M costs reduced, and water previously wasted at the end of the canal will be saved. Since the entire pipeline will be pressurized, individual water users will not need to operate and maintain their pumps. Fifty acres of flood-irrigated ground will be converted to sprinkle-irrigation.



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/Site preparation	1	LS	\$125,000	\$125,000
2	Power	1	LS	315,000	315,000
3	Booster Pump Station	1	LS	275,000	275,000
4	Pipe (furnish and install 8"-36")	16,100	LF	64.00	1,030,400
5	Valves	1	LS	110,000	110,000
6	Gates	1	LS	10,000	10,000
7	Fittings	1	LS	248,000	248,000
8	Meters	33	EA	6,000	198,000
9	Restoration	1	LS	5,000	5,000
Construction Cost					\$2,316,400
Contingency					340,600
Design & Construction Engineering					350,000
Legal and Administrative					27,000
Permits, Fees & Testing					105,000
TOTAL					\$3,139,000

Cost Sharing & Repayment

The recommended cost sharing and repayment are:

Agency	Cost Sharing	% of Total
Board of Water Resources	\$1,393,000	44.4%
UDAF Ag Optimization Grant	1,500,000	47.8
Applicant	246,000	7.8
TOTAL	\$3,139,000	100%

The Applicant has obtained an Agricultural Water Optimization grant from the Utah Department of Agriculture and Food (UDAF) for \$1,500,000. Part of this grant (\$500,000) needs to be spent by the end of June 2025. The Applicant has also applied for a WaterSMART grant from the Bureau of Reclamation.

Staff recommends the Board authorize 44.4% of the project cost, up to \$1,393,000, and that the bonded indebtedness be returned at 1.38% interest over 15 years with annual payments of approximately \$111,000 (including reserves).

The 1.38% interest rate was determined using a weighted average of the M&I rate (2.9%) and the agricultural rate (1%). The Applicant indicated that about 20% of the company shares are for secondary water.



Economic Feasibility

Zions Public Finance, Inc. (Zions) completed an economic analysis for the project. This project has a positive benefit-cost ratio of 1.36 after 20 years of operation. This ratio is calculated by comparing the net present value (over 20 years) of the net impacts (increased revenues from crop production and lower operating costs) to the total capital cost (\$3,139,000) of the project.

Financial Feasibility

The Applicant expects to see an increase in crop yield. The economic analysis by Zions estimates the increased benefit will be approximately \$322,200 annually. There will be reduced costs for operation and maintenance and pumping costs, as shown in the table below.

New sprinkler costs for the shareholders are expected to be about \$11,900 annually. This was determined by looking at costs per acre to purchase sprinklers for the 50 acres that will be converted from flood- to sprinkle-irrigation.

Benefit	Amount
Estimated Annual Net Increased Crop Income	\$322,200
Reduced Operation & Maintenance Costs	17,600
Reduced Pumping Costs	1,800
New Sprinkler Costs	-11,900
NET ANNUAL BENEFIT	\$329,700

A suggested annual payment can be calculated by multiplying the net annual benefit by the Board's cost share (44.4%). This equates to about \$146,400 annually. However, the minimum payback term for the Board is 15 years, which yields the recommended annual payment of \$111,000.

Water Rights & Supply

Water supplied by the Applicant comes from Hyrum Reservoir, which is located on the Little Bear River.

The water right related to this project (25-1945) is in the name of the Bureau of Reclamation and is for 85 cfs up to 17,800 acre-feet. The Applicant does not own any water rights.

Easements

All proposed project features are located within existing canal easements.

Environmental

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

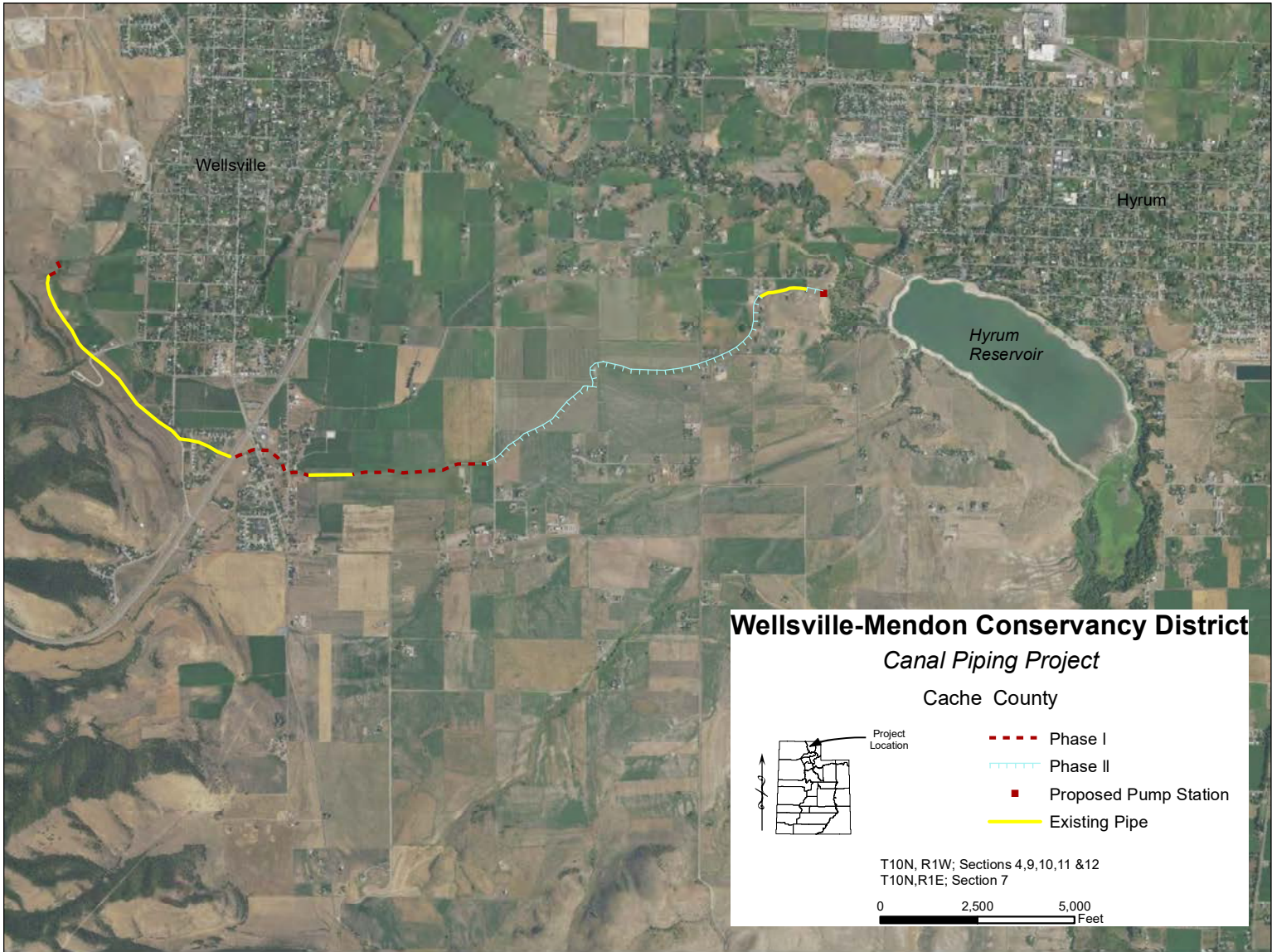
Water Conservation

The Applicant estimates 578 acre-feet of water will be conserved annually due to the project. This water will be held in Hyrum Reservoir and released as needed.



Applicant's Responsibilities

The Applicant will be required to make all arrangements to sell the Board a non-voted revenue bond, as well as verify it has access to 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
Dam Safety Report



Applicant: **Twin Creeks Special Service District**

Project Number: RC067
Fund: Dam Safety Grant
Total Cost: \$2,300,000

Application Received: 1/12/2023
Board Meeting Date: 5/9/2024

Board Member: Michael Davis
Project Manager: Ethan Stayner/Tom Cox

Project Summary: The purpose of the project is to upgrade Jones Dam to meet minimum safety standards.

Recommendation: Staff recommends the Board commit 80% of the project cost, up to \$1,840,000, as a dam safety grant.

Project Contacts:

General Manager: Max Covey PO Box 519 Heber City, UT 84032 435-654-9233	Engineer: Thayne Clark Bowen Collins & Associates 154 East 14075 South Draper, UT 84020 801-495-2224
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Location

The proposed project is located about nine miles east of Heber City, in Wasatch County.

Project Summary

Jones Dam was constructed in 1956 and is currently owned and operated by Twin Creeks Special Service District (District). The dam is 36 feet high, 450 feet long and has a storage capacity of approximately 176 acre-feet. This dam has been rated High Hazard by the Division of Water Rights, Dam Safety Office (Dam Safety), because of the potential for death and flood damage if it were to fail.

Dam Safety noted some potential deficiencies in accordance with the State minimum standards. These include seepage, static and seismic stability, outlet conduit integrity, insufficient spillway capacity and a lack of performance instrumentation.

The District provides culinary and secondary water to areas east of Heber City. Because of ongoing seepage issues, Dam Safety has placed a storage restriction on the reservoir to about 50% of capacity.

This project includes replacement and upsizing of the twin 50-foot-long pipe sections that are part of the spillway (from 14-inch to 20-inch diameter), as well as converting the concrete chute to a rip-rap chute downstream of these pipes. There will also be a trenchless rehabilitation and extension of the outlet pipe, along with a replacement of the gate valve that controls the flow to this outlet. This will include installing a new slide gate at the inlet of this pipe. To address seepage concerns there will be a new filter drain blanket and toe drain system installed. To address seismic stability concerns there will be a stability berm installed at the downstream toe. There will be several more improvements as well, including placing new road base on the dam crest, installing a new connection to existing piping at the toe of the dam, new piezometers, a new staff gauge and a new Parshall flume at the toe drain.

Final design of the plans and specifications are nearly complete. It is anticipated that construction will begin in June or July of this year. Technical assistance is being provided by Bowen Collins & Associates.

Cost Estimate & Sharing

The estimated cost of the project is \$2,300,000. The recommended cost sharing is as follows:

Agency	Proposed Cost Sharing	% of Total
Board of Water Resources Dam Safety Grant	\$1,840,000	80%
Applicant	460,000	20
TOTAL	\$2,300,000	100%

Staff recommends the Board commit 80% of the project cost, up to \$1,840,000, as a dam safety grant.

BOARD OF WATER RESOURCES

Application Summary



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

Project Number: RE482
Fund: Conservation and Development Fund
Cost Estimate: \$3,412,000

Application Received: 4/2/2024
Board Meeting Date: 5/9/2024

Board Member: Kyle Stephens
Project Manager: Ann Baynard

Project Contacts:

President: Scott Paxman 138 W. 1300 N. Sunset, UT 84015 801-771-1677	General Manager: Rick Smith 138 W. 1300 N. Sunset, UT 84015 801-774-6373	Engineer: Nathan Smith, J-U-B Engineers 466 North 900 West Kaysville, UT 84037 801-547-0393
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Location

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

Proposed Project

The Applicant is requesting financial assistance from the Board to replace approximately 8,200 feet of a pressurized secondary pipeline.

Construction Start Date

July 2025

Water Rights

The company holds many water rights and shares in the Hooper Irrigation Company.

BOARD OF WATER RESOURCES

Application Summary



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

Project Number: RE483
Fund: Conservation and Development Fund
Cost Estimate: \$7,525,000

Application Received: 4/18/2024
Board Meeting Date: 5/9/2024

Board Member: Kyle Stephens
Project Manager: Ben Marett

Project Contacts:

President: Scott Paxman 138 W. 1300 N. Sunset, UT 84015 801-771-1677	General Manager: Rick Smith 138 W. 1300 N. Sunset, UT 84015 801-774-6373	Engineer: Jon Frazier J-U-B Engineers 466 Kays Drive Kaysville, UT 84037 801-547-0393
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Location

The proposed project is located in Sunset in Davis County.

Proposed Project

The Applicant is requesting financial assistance from the Board to enclose approximately 2,600 feet of an open concrete-line canal with precast 8' x 7' concrete box culvert. The project will take place adjacent to I-15 in Sunset between about 1600 North and 2150 North. The work will be completed in a partnership with UDOT and the Military Installation Development Authority (MIDA).

Construction Start Date

The Applicant anticipates that construction will begin in fall 2024.

Water Rights

- Weber River Decree Rights 25, 37, 44, 48, 58, 68, 90, 389, 400, and 406
- 35-5468

BOARD OF WATER RESOURCES

Application Summary



Applicant: **Hights Creek Irrigation Company**

Project Number: RE484
Fund: Small System Secondary Meter Grant (SSMG)
Cost Estimate: \$10,315,000

Application Received: 4/24/2024
Board Meeting Date: 5/9/2024

Board Member: Kyle Stephens
Project Manager: Ethan Stayner

Project Contacts:

President:
Kib Jacobson
691 East 250 South
Kaysville, UT 84037
801-721-5474

General Manager:
Rodney G. Hill
920 Northridge Road
Farmington, UT 84025
801-597-3897

Engineer:
Dan White
Gardner Engineering
5150 South 375 East
Ogden, UT 84405
801-476-0202

Location

The proposed project is located in Kaysville and Fruit Heights in Davis County.

Proposed Project

The Applicant is requesting a Small System Secondary Meter Grant from the Board to purchase and install 4,000 secondary water meters.

Construction Start Date

October 2022, ongoing

Water Rights

- 31-4632

BOARD OF WATER RESOURCES

Application Summary



Applicant: **Grantsville City**

Project Number: RE485

Fund: Conservation and Development Fund

Cost Estimate: \$3,840,000

Application Received: 4/19/2024

Board Meeting Date: 5/9/2024

Board Member: Juliette Tennert

Project Manager: TBD

Project Contacts:

Mayor:
Neil Critchlow
429 E. Main Street
Grantsville, UT 84029
435-884-3411

Public Works Director:
James Waltz
336 W. Main Street
Grantsville, UT 84029
435-884-0627

Engineer:
Matt Laurendeau
Jones & DeMille Engineering
775 W. Spring Creek Place #200
Springville, UT 84663
801-692-0219

Location

The proposed project is located approximately 1.5 miles west of Grantsville in Tooele County.

Proposed Project

The Applicant is requesting financial assistance from the Board to construct a 2-million gallon culinary water tank.

Construction Start Date

March 2025

Water Rights

The Applicant owns dozens of water rights for use in the City.

Watershed Councils Update

May 9, 2024

Utah Watersheds Council (UWC)

- Formed in January 2022
- Membership has increased from 14 to 25 members
- HB 280 added the Director of Water Resources and the State Engineer/Director of Water Rights as non-voting members

Local Watershed Councils

- 9 out of 12 local councils have been formed, with West Colorado River, Southeast Colorado River, and Great Salt Lake remaining
- Formation of the Great Salt Lake watershed council has been delayed as Brian Steed and others explore the best options to work with existing groups; they will likely recommend legislative changes for the makeup of this council
- Local councils will begin reporting to the UWC on July 11th, beginning with Bear River, Utah Lake, and Jordan River

Notable Events

- HB 280 passed during the 2024 legislative session:
 - Added two non-voting members to the UWC
 - The UWC shall advise the Water Development Coordinating Council concerning the unified water infrastructure plan
 - The UWC and local watershed councils shall advise the Division on the state water plan
 - Added a dedicated seat for land use planning agencies on local watershed councils
- The Division hosted the first multi-council event during Utah Water Users
- Carly Payne was hired as the Watershed Councils Coordinator, beginning 4/15/24

Looking Ahead

- Creation of a watershed councils strategic plan

Presented by Carly Payne, Watershed Councils Coordinator

Unapproved

BOARD OF WATER RESOURCES

BRIEFING MEETING

MINUTES

MARCH 20, 2024

Utah Department of Natural Resources

Utah Board of Water Resources
Board Briefing Meeting
March 20, 2024
1:30 PM

BOARD MEMBERS PRESENT

Chair Juliette Tennert
Charles Holmgren
Blaine Ipson
Dana Van Horn
Kyle Stephens
Mike Davis
Randy Crozier

BOARD MEMBERS (Excused)

Spencer Jones
Brian Steed

STAFF PRESENT

Director Candice Hasenyager
Deputy Director Joel Williams
Assistant Director Shalaine DeBernardi
Tom Cox (online)
Marisa Egbert
Randy Staker
Shannon Clough
Ethan Stanyer (online)
Brad Caldwell (online)
Ben Marett
Carly Payne
Candace Schaible
Marty Bushman (Attorney General)

OTHERS

AV Team: Carmen McDonald, Paul Gedge
Wayne Winsor, Assistant General Manager(MWDSLS)
Rodney Banks, General Manager (Roy WCD)
Rick Smith, General Manager (Davis and Weber CCC)

Todd Schultz (Yoppify)

Annalee Munsey, General Manager (MWDSL) (online)

WELCOME

CHAIR JULIETTE TENNERT called the meeting to order at 1:33 PM and announced Board Members present.

CANDICE HASENYAGER introduced staff present and those online

DISCUSSION OF BOARD AGENDA ITEMS:

APPROVAL OF MINUTES: Will be approved in the Board meeting.

<u>Project#</u>	<u>Applicant</u>	<u>County</u>	<u>Project Manager</u>
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Feasibility Reports:

RE480 West Cache Irrigation Company Cache Ethan Stayner

CHARLES HOLMGREN I have seen some amazing, sad-looking soil movement in Franklin County Idaho which is part of West Cache Canal Company's conduit from the Bear River to Cache County and clear down to the town of Newton. An interesting observation I had looking at SNOTEL, about six miles west of this landslide is the Oxford Springs SNOTEL. About the time this happened they were at a 165% of snowpack at Oxford Springs which was the wettest SNOTEL in the Bear River Basin. Since then, it's gone to about 195%. I wonder if this had something to do with the earth moving. I went up and looked at the area and it is fascinating, and as detailed as the photos that Ethan, Brad and Carl took, it's really incredible to see in person. It's a devastating amount of earth that's moved down on top of them.

MARISA EGBERT We sent our project manager Ethan Stayner and our geologist Carl Ege to view and stomp around in the mud. They said in some areas it's about 30 feet deep. The mudslide went into the canal and Carl said there have been landslides everywhere. We don't know when this happened, it's all private landowners. It's very hard to get around with all the mud, and trying to go in and excavate while it's still wet would be impossible. They may end up piping it in the future, but for now they want to first focus on the excavation. Then when we do the committal of funds, they will need to do all the legal work, (the cost can increase) if they need additional funds. 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.

MIKE DAVIS do we need to get a Geotech type stabilization report?

MARISA EGBERT we can talk to Carl Ege about that. Ethan Stayner is online, and this is a good thing to write down and we can get more information about it.

BLAINE IPSON this is just a feasibility we are doing today for authorization.

CHARLES HOLMGREN this is an emergency. All of this ground is clay and there are no rocks in it. It's like greased soil. I have spoken to Steve Wood, who is an engineer, and is here today. He had a request from the West Cache Canal company, and they are anticipating using a skid steer loader to move a lot of this or to move rock back into reinforce the canal. They are anticipating the rental cost of a skid steer loader will be so high that they are wondering if they can purchase a skid steer to do this work rather than renting one.

MARISA EGBERT if it's an appropriate expense it would be good. Ethan can talk to them and get an estimate of the cost, rent vs. purchasing.

SHALAIN DEBERNARDI This is something we can do. If it's a legitimate project cost and it's reasonable, and the city needs a piece of equipment to accomplish the work and be able to properly maintain those facilities down the road then it is a legitimate project cost.

DANA VAN HORN has this happened before? For this company, in this location?

TOM COX you can see in the photos that they've cleaned out this canal before, but they've never got Board funds for it.

COMMITTAL OF FUNDS:

RL590 Metropolitan Water District of Salt Lake & Sandy Salt Lake Brad Caldwell

BEN MARETT 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. This is a phased project. 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. 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.

CHAIR JULIETTE TENNERT we are trying to help them target a lower rate so that overall, the borrowing cost is about 3% overall.

BEN MARETT the Board will 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 a higher payment for the next five years. The Market Bond will be repaid in 20 years.

WAYNE WINDSOR (Assistant General Manager) this design will be built with a seismic-resilient steel pipeline so that it can withstand an earthquake and will be able to be modified later. It will be welded steel, one inch thick.

RM110 Syracuse City Davis Ann Baynard

BEN MARETT 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. The total project cost is \$16,400,000. The terms will remain as authorized.

SHALAIN DEBERNARDI During the first round of ARPA grant funds, they didn't think they would need loan funds, but during the third round when they received additional ARPA grant they realized they did want loan funds. So the committal remains as authorized, and they won't be asking for additional funds.

SPECIAL ITEMS:

RE296 East Millcreek Water Company (modify repayments) Salt Lake Marisa Egbert

MARISA EGBERT the Board provided funds in 2011 to construct a new diversion structure and flume. If you are familiar with 2700 East in Salt Lake, the S-curve we call it, there was a diversion structure and a wooden flume that needed to be replaced. The Division of Finance let us know that the company didn't make the last two payments. When we contacted the company, we learned that they had a change of officers and the Secretary/Treasurer had moved out of the country, and the new officers weren't aware they still owed money for the project. So now they are seeking a modification of repayments. The remaining principal balance was \$24,479.87. After talking with the company, they 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 each.

BOARD MEMBERS and STAFF discussed if this is an appropriate thing to do, if this is setting a precedent for future applicants. This type of modification has happened in the past, but we've also charged penalties for delinquencies when it's become a pattern. So if the Board agrees, staff is comfortable with this modification in this instance..

RE479 Lehi City Utah Tom Cox

TOM COX Lehi City will be back before the Board for some additional funds for their meter project. In round one they received \$10,000,000 in ARPA grant funds. At the time it was enough to install about 5,700 meters. They have about 14,000 more meters that they need to connect. They applied in the second round for another \$10,000,000 and there wasn't that much available from the ARPA grant. The Board was able to authorize and commit a little more than \$6.2M (in the third round). We have another secondary meter grant fund pot. It's a small secondary system meter grant that the Board approved to have \$2,000,000 going to that pot per fiscal year. If we give more grant money to Lehi, because they didn't get what they requested on the second round, that would benefit all of us. This will help us to not lapse about \$2M in funds. The city will request \$3,776,500 today as a Small System Secondary meter grant and an additional \$1,376,000 in loan funds toward their meter project. This will bring them up to the numbers they originally requested in the second round (\$10,000,000). There will be two motions the Board will have to pass. One to authorize and commit the Small System Meter Grant (SSMG) and authorize \$1,376,000 in loan funds.

BLAINE IPSON I am confused about the small system grant, for those with less than 5,000 connections, and Lehi City is requesting funding for another 5,700 meters. Why can Lehi get the SSMG if they have more than 5,000 connections? How do they qualify?

SHALAIN DEBERNARDI the SSMG funds can be used for cities, towns, or metro-townships OR have fewer than 5,000 connections. So cities qualify for these funds, regardless of size. Because we were concerned about lapsing the SSMG funds, we talked to Lehi about this option because they are spending as much as \$2 to \$3 million each quarter. This would help us use the SSMG funds and reduce the risk of lapsing those funds.

NEW APPLICATIONS:

RE481 Peterson Pipeline Association Morgan Brad Caldwell

SECONDARY METER ARPA GRANT DEADLINE:

SHALAIN DEBERNARDI

The Funding Section is requesting a new deadline (May 17, 2024) for entities to declare their intent for the ARPA funds. 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 legislation this year, more of the existing applicants may not need the entire grant amount, or any of the grant, 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. The Board will set a deadline of May 17, 2024, for applicants to formally accept, reject, or request a modification to their existing grant.

BEAR RIVER DEVELOPMENT RIGHT-OF-WAY UPDATE:

MARISA EGBERT will report at the Board meeting.

LANDSCAPE INCENTIVES & LANDSCAPE WATER SAVINGS ESTIMATOR:

CANDACE SCHAIBLE will report at the Board meeting.

DIRECTOR'S REPORT:

CANDICE HASENYAGER

INFORMATION TO THE BOARD

STATUS OF FUNDS:

SHALAIN DEBERNARDI

One thing I want to point out is that the Lehi project that we were bringing to you, the small system secondary grant, if you commit that today (authorize and commit) it will end up looking like we are in the hole (on paper). It's a numbers game. We will be over-committed but we won't be overspent. We will get another \$2,000,000 (SSMG) on July 1st. There's no way we are going to spend that entire amount. We won't ever overspend a fund, but will over-commit this one just a little so that we can get that money going out the door. Nothing official has changed on the ARPA funds at this point, it's all still authorized, committed, or contracted.

LEGISLATIVE UPDATE:

JOEL WILLIAMS

HB280 Things that we will need to be done (action items) for Water Resources.

- Complete our State Water Plan by 2026
- Study about water funds done by October 2024.
- Started discussions with State funding agencies.
 - Candice Chairs the Water Development Coordinating Council. That council has already met, and future meetings are scheduled. These are meetings to get representatives together to start strategizing a game plan.
- The study for the water use fee is due October of 2025.
- Consider modifications to the membership of the Water Development Coordinating Council.

- We will need to prepare our list of Water Resources projects. The Unified Water Infrastructure Plan will be prepared considering all agencies' proposed projects. (Grand Prioritization) It is due March 2026.

CANDICE HASENYAGER even though the law doesn't go into effect until May 1st, we are feeling lots of pressure with the timelines. The Water Development Coordinating Council is starting to meet every two weeks with a smaller group. We have been talking about a project manager within our office for the Unified Water Infrastructure Plan. That assignment hasn't been made, but we think we have a good direction there. We are trying to hit the ground running as much as possible. There are a lot of efforts we need to do from a communications standpoint. We have been in discussions with the Utah Water Task Force and there's a good number of people interested in being a participant of the work group for the fee study. There's a lot of interest and concerns.

At the last Board meeting we discussed a review of Board Rules to enhance the water conservation element. Would the Board find it helpful if our staff takes a look at it and comes up with our potential recommendations.

CHAIR JULIETTE TENNERT I do think if you and your team can take the lead on this to frame things up. Me and Mike could have a meeting with you about the Board's ideas and any changes.

SHALAINE DEBERNARDI we will send them out for you to review and we will discuss them at the next Board meeting.

ADJOURNMENT:

MIKE DAVIS made the motion to adjourn. The meeting adjourned at 2:55 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

MARCH 20, 2024

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SUMMARY OF BOARD ACTIONS

MARCH 20, 2024

1. APPROVAL OF MINUTES CHARLES HOLMGREN moved to approve the meeting minutes from January 25, 2024. KYLE STEPHENS seconded the motion. All voted in favor and the motion passed.
2. CHARLES HOLMGREN moved that 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. RANDY CROZIER seconded the motion. All voted in favor and the motion passed.
3. MIKE DAVIS moved 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 for the last 5 years (includes reserves). KYLE STEPHENS seconded the motion. All voted in favor and the motion passed.
4. KYLE STEPHENS moved 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). MIKE DAVIS seconded the motion. All voted in favor and the motion passed.
5. RANDY CROZIER moved 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. BLAINE IPSON seconded the motion. All voted in favor and the motion passed.
6. MIKE DAVIS moved the Board authorize and commit 26.4% of the project cost, up to \$3,776,500, as a Small System Secondary Meter Grant. KYLE STEPHENS seconded the motion. All voted in favor and the motion passed.
7. MIKE DAVIS moved 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). RANDY CROZIER seconded the motion. All voted in favor and the motion passed.
8. KYLE STEPHENS moved the Board set a deadline of May 17, 2024, for applicants to formally accept, reject, or request a modification to their existing grant. BRIAN STEED seconded the motion. All voted in favor and the motion passed.

9. ADJOURNMENT RANDY CROZIER made the motion to adjourn the meeting. The meeting adjourned at 4:30 PM.

THOSE PRESENT

BOARD MEMBERS PRESENT

Chair Juliette Tennert

Charles Holmgren

Vice Chair Mike Davis

Randy Crozier

Blaine Ipson

Kyle Stephens

Brian Steed (online)

Dana Van Horn

Spencer Jones (excused)

STAFF PRESENT

Director Candice Hasenyager

Deputy Director Joel Williams

Assistant Director Shalaine DeBernardi

Tom Cox (online)

Ann Baynard (online)

Ben Marett

Steven Gregerson (online)

Marisa Egbert

Carly Payne

Candace Schaible

Ethan Stayner (online)

Brad Caldwell (online)

Randy Staker

Shannon Clough

AG Marty Bushman

AV Team: Paul Gedge, Carmen McDonald (online in Salt Lake) and Seth Magers (online in Salt Lake)

OTHERS PRESENT

Jordan Clayton, NRCS

Steve Wood, Sunrise Engineering

Ryan Merrill, Board Member (West Cache Irrigation Company) (online)

Wayne Winsor, Assistant General Manager (MWDSLs)

Annalee Munsey, General Manager (MWDSLs) (online)

Johnathan Ward, Senior Vice President (Zions Bank Finance) (online)

Steven Marshall, Administrative Services Director (Syracuse City) (online)

Robert Whitely, Public Works Director (Syracuse City) (online)

Lance Hobbs, Secretary (East Millcreek Irrigation Company) (online)

Andrew Greaves, Board President (East Millcreek Irrigation Company) (online)

Rich Matheson, Vice-President (East Millcreek Irrigation Company) (online)

Mark Johnson, Mayor (Lehi City)

Dave Norman, Public Works Director (Lehi City)

Justin Monson, Meter Supervisor (Lehi City)

Dean Lundell, Finance Director (Lehi City)

UTAH BOARD OF WATER RESOURCES

Board Meeting

Department of Natural Resources

Dixie Convention Center

St. George, Utah 84790

March 20, 2024

3:00 PM

CHAIR JULIETTE TENNERT called the meeting to order at 3:10 pm and announced the Board members present. BRIAN STEED will be participating online. SPENCER JONES is excused.

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

APPROVAL OF MINUTES:

CHARLES HOLMGREN moved to approve the meeting minutes from January 25, 2024. KYLE STEPHENS seconded the motion. All voted in favor and the motion passed.

NRCS SNOW REPORT:

JORDAN CLAYTON provided an update on the current snowpack and water supply.

FEASIBILITY REPORTS:

RE480 West Cache Irrigation Company Cache Ethan Stayner

Steve Wood , Ryan Merrill (online)

MARISA EGBERT 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. About two to three miles downstream from the main diversion on the Bear River in Idaho, 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.

STEVE WOOD The debris field of the landslide covers about 13 acres of ground. The area buried is between 10-15 feet of soil in the area. The hillside was completely destabilized. It was completely saturated with snow from two snowstorms that occurred earlier in the year. Then we had 3-4 inches of rain which then made the whole hillside slide down. The canal alignment did not shift during the impact, but it was completely buried. Right now, we are just trying to get the canal open again.

MARISA EGBERT the company is going to focus right now on the excavation portion. They gave us a cost estimate of about \$500,000, with the Board participating at 85%. If they do want to install a pipeline, we could process that on a different application. 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.

RYAN MERRILL our annual assessment is about \$500,000, so we really appreciate the Board's consideration to help our shareholders.

CHARLES HOLMGREN moved that 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. RANDY CROZIER seconded the motion. All voted in favor and the motion passed.

COMMITTAL OF FUNDS:

RL590 Metropolitan Water District of Salt Lake & Sandy Salt Lake Bradley Caldwell

Wayne Windsor, Annalee Munsey (online) and Johnathan Ward (online)

BEN MARETT 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. This is a phased project and the applicant received bids for the first phase of the project. The lowest bid was about \$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. The Board's funding amount remains as authorized, and the repayment terms will not change. 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).

WAYNE WINDSOR we appreciate the Board's assistance, and a couple of clarifications with the bid openings the contractors selected steel pipe over HDPE pipe. We were surprised with the bids that came in, but we want to assure you that we will be finishing this project. We do plan to get another bond in another year, but we have two other phases of the project and we have yet

to finish design and we have a better understanding of what those costs will be. We will complete the project in the time in which we've committed to do so.

BRIAN STEED are you receiving any other funding from the state?

WAYNE WINDSOR no, we are not on this project.

CHARELS HOLMGREN in Monday's Water Law Conference, I noticed that the Metropolitan Water District is having some issues with maintaining their easements and lawsuits are involved with some of those. Are you going to be able to complete the action you have on this project?

WAYNE WINDSOR Yes, we will complete the project. The two separate issues; one is an existing easement for the Salt Lake Aqueduct and some of the interpretations of what rights we have on these easements. These are going to be more tightly written easements that tighten up the aspect so we can forego those problems on this easement.

MIKE DAVIS moved 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 for the last 5 years (includes reserves). KYLE STEPHENS seconded the motion. All voted in favor and the motion passed.

RM110 Syracuse City Davis Ann Baynard

Steven Marshall (online), Robert Whitely (online)

BEN MARETT Syracuse City came before the Board in August 2022 seeking funding for the secondary water meters from the ARPA grant. The Board committed \$10 million dollars to their project and because the cap was set at that amount the total funding and (Board's) contribution to their project was below the 70% amount that we've been giving to the secondary metering projects. At 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. At this time the Applicant is ready for committal of funds. 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).

ROBERT WHITELY I just want to express appreciation to the Board for helping us. We're very excited to go forward with this project.

KYLE STEPHENS moved 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). MIKE DAVIS seconded the motion. All voted in favor and the motion passed.

SPECIAL ITEMS:

RE296 East Millcreek Water Company (Modify Repayments) Salt Lake Marisa Egbert

Lance Hobbs (online), Andrew Greaves (online), Rich Matheson (online)

MARISA EGBERT The Board provided funds in 2011 to construct a new diversion structure and flume for the company's main diversion areas. They made payments appropriately up through 2019. They had two last years to make those payments and we recently learned through the Division of Finance that the last two payments were not paid. We reached out to the company, and they thought the payments were complete. They had a change of 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. 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.

LANCE HOBBS Marisa has summed it up well, and we have no further comment.

RANDY CROZIER moved 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. BLAINE IPSON seconded the motion. All voted in favor and the motion passed.

RE479 Lehi City Utah Tom Cox

Mark Johnson, Dave Norman, Justin Monson, Dean Lundell (all online)

TOM COX Lehi City is asking for additional funding for their secondary metering project. They have a total of about 17,000 secondary connections. In the second round of ARPA grant applications, the City had requested another \$10 million in grant funds to install about 5,700 meters, but there weren't funds available to pay for all of them. So the Board previously authorized and committed 70% of the project cost, up to \$6,223,000, as an ARPA grant (RM074) and also authorized \$2,267,000 as a loan, which would install about 3,550 of these 5,700 meters. The Board also has Small System Secondary Meter grant funds available, and the City has applied for those now to bring them up to the \$10 million grant total. 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 (RE479). 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) (RM074).

DEAN LUNDELL we really appreciate the Board's consideration. We're making really good progress on our project, we're ahead of schedule.

MARK JOHNSON I echo Dean's comments. With our City's size and rapid growth, it'd be impossible to complete this metering without these funds.

MARISA EGBERT the Small System Secondary Meter Grant is separate from the ARPA grants. ARPA is the federal grant that came through the state and is at 70% a cost share. The Small System Secondary Meter Grant is state money, and was already in place. We receive \$2,000,000 every fiscal year and it lapses if it isn't used. It has a 50/50 cost share.

MIKE DAVIS moved the Board authorize and commit 26.4% of the project cost, up to \$3,776,500, as a Small System Secondary Meter Grant (RE479). KYLE STEPHENS seconded the motion. All voted in favor and the motion passed.

MIKE DAVIS moved 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) (RM074). RANDY CROZIER seconded the motion. All voted in favor and the motion passed.

NEW APPLICATIONS:

RE481 Peterson Pipeline Association Morgan Bradley Caldwell

SECONDARY METER ARPA GRANT DEADLINE:

SHALAIN DEBERNARDI As you recall, 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.

KYLE STEPHENS moved the Board set a deadline of May 17, 2024, for applicants to formally accept, reject, or request a modification to their existing grant. BRIAN STEED seconded the motion. All voted in favor and the motion passed.

BEAR RIVER DEVELOPMENT RIGHT-OF-WAY UPDATE:

Corridor Preservation/Right-of-Way Acquisition

MARISA EGBERT I'd like to provide an update about the right-of-way acquisition for pipeline development and present the information summarized in the report.

In March, the Division purchased an undeveloped parcel (Parcel #02-055-0154). The parcel is about 3.83 acres and was purchased for \$253,929. It adds just under 3,000 feet to the potential corridor preservation in Box Elder County. We purchased this from a developer and we have a trail agreement so they can put a trail on it and they will maintain the area. Additionally, this parcel can possibly be considered "green space" for the city requirements.

In February 2021, an undeveloped residential lot (Parcel #01-040-0160) was purchased in February of 2021. We missed reporting this to the Board previously. The parcel is about 0.802 acres and was purchased for \$110,100. It adds about 222 feet to the potential corridor preservation in Box Elder County. We will be working with the adjacent homeowner and the Box Elder County and Willard City Flood Control Authority to split the parcel so that the Division has a corridor on the back of the lot and the Flood Control Authority could use the front of the lot for a drainage basin.

House Updates

The Division purchased three homes when we were partnering with UTA for a shared right-of-way corridor. They are on the east side of I-15. However, the modeling pushes the potential corridor to be on the west side of I-15 through this area as the west side is less developed. We have worked with the Utah Division of State Parks for them to possibly purchase two of these properties. However, they do not have the budget to purchase them.

The larger home, Parcel #1019, is being prepared to be sold on the market. There were recent discussions with Parks about them purchasing the smaller home, Parcel #1020. However, Candice will make the final decision about it.

Parcel #1016 needed remediation for black mold. The remediation cost about \$40,000. Unfortunately, the mold penetrated the wood in two walls and caused structural damages. It will need to be repaired and will cost about \$25,000. This will assure that any remaining black mold in the wood will be gone. We will have the work done to be structurally sound then sell the house "as-is" as there are a lot of upgrades that are needed for the house.

Once the walls are replaced and any other work is done, we will have the house appraised again. The most recent appraisal was \$484,000. However, that was prior to the remediation work and finding how much damage had been done structurally.

CANDICE HASENYAGER we had been in discussions with Parks to purchase the homes but they have indicated that they don't anticipate having the money to purchase them. Because of this, and that the houses are in an area that we no longer believe is a potential corridor. We believe the houses should be sold unless the Board has other ideas.

MARISA EGBERT I want to make you aware of other costs that are listed on my report: utilities (water, garbage, electricity, gas), closing costs, consultant, appraisals, repairs, cleanup, yard work and fixing sprinklers, a window and a broken fence panel.

In regards to needing additional funds for the engineering/surveying consultant, Bowen Collins original contract was based on an amount for about a year's worth of work. We knew that once they started the work, they would need additional funding. We will be doing another contract with them for \$500,000 to continue the surveying and engineering.

Previously we discussed having a rule written "Acquisition and Disposal of Real Property Interest" for the Division. We worked with the Attorney General's office on the rule. The rule includes the following:

- 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

The rule will be published on March 15th and should take effect on April 15th, if a public hearing is not needed. The purpose of this rule was to guide us if we sold property to another state agency like Parks.

The total amount committed is \$5,000,000 and the approximate amount spent to date is \$3,791,950. That amount will be updated as needed following the work on the houses.

MIKE DAVIS will the money from selling the houses go back into the corridor acquisition funding?

MARISA EGBERT I will be working with Jim Egbert (Finance Director) to make sure it does get credited back for the right-of-way acquisition work.

JULIETTE TENNERT I am concerned about staff and all the work they do and then having to be landlords. I think it is in the best interest for the staff to dispose of these properties.

LANDSCAPE INCENTIVES & LANDSCAPE WATER SAVINGS ESTIMATOR:

CANDACE SCHAIBLE presented an update to the Board about the State's landscape incentive program. The program was launched last year and provides funds for every square foot of lawn that is removed and replaced with waterwise landscaping. Over 3 million square feet of lawn has been removed so far. She then demonstrated a water savings estimator tool that's been

developed to show how much water could be saved by replacing lawn with waterwise landscaping.

DIRECTOR'S REPORT:

CANDICE HASENYAGER Legislative session update. This session we had a lot more policy changes. The one thing in the last few years we have seen is more appropriations coming and we did see some appropriations. We received one-time funds of about \$44,000,000, for last fiscal year and this one. We had a slight reduction in our Interstate Streams Program. We were able to get back some of our additional staffing for our State Water Plan, but still slightly under where we had started for our ongoing funds. We received a one-time appropriation for the Cove East Fork Virgin River Watershed Project. This is a reservoir site that is being worked on in the Cove area on the Kane County side. Also, one-time funds received for Ogden Canyon water line replacement. There were some on-time funds for Cloud Seeding grants and this was more of a transfer to allow us to accept other grant funds coming from the USBR. We received funding for Transparent Water Billing, our Growing Water Smart Workshops and \$100,000 for our Watershed Councils. We also received some one-time funding for West Beaver and Cedar Valleys Water Study. There was \$22,000,000 that GOEO (Governor's Office of Economic Opportunity) had funds for last year for water projects and they didn't allocate all of it, so the legislature turned it over to us (the Division) to distribute. There was \$2,500,000 that was appropriated to the Water Infrastructure Fund that was created as part of HB280, which we can use to do some of the studies and the staffing needs. Another item about HB280, there were some changes to the State Water Plan statute, giving us further direction, and we had a work group working on it to help come up with some of that language. We did get more direction there and we are to have one completed by December 31, 2026.

Last week I was In Washington DC for the Western States Water Council meetings, along with the State Engineer, Teresa Wilhelmsen. We met with our congressional delegation and had some really good discussions on what we generally do as Water Resources and Water Rights. We met with the ICWP and Western State Water Council for a joint meeting where we had lots of presentations from our federal partners on infrastructure, drought, floods and wildlife, water data and modeling.

As Candace mentioned, we are gearing up for another busy season of landscape incentives. Sixty-one cities and counties are eligible for the state funds, and the water districts started accepting applications on March 15th. We are hiring a new employee to help run the program. The Water Conservation staff has also been busy with outreach and education events, including teaching Localscapes classes, home and garden shows and the Iron County water fair.

The Great Salt Lake Basin Integrated Plan draft work plan was released in November of last year. and our team has been going through all the public comments that we received. We are working on an action document with all the things we need to do to make this happen. This includes detailed hydrodynamic modeling, Basin planning tasks and getting feedback from the

advisory group and the steering committee. We hope to have that finalized so we can have a companion of documents that make up the Great Salt Lake Basin Integrated Work Plan. The South Arm of the Great Salt Lake is about 4,194', so it was about the same as where it peaked last year.

There's a lot going on the Colorado River as you all are aware. The post-2026 operations EIS that the Upper Basin States and Lower Basin States were supposed to submit their shared alternatives and unfortunately that didn't happen. The seven Basin States couldn't come up with a shared alternative, and so the Upper Division States submitted one and the Lower Division States submitted one. Right now, both of those alternatives are with the Bureau of Reclamation and they'll have to make some decisions. The Bureau of Reclamation wants to have a draft EIS completed and out for public review by December.

The Bear River Commission has a meeting in a couple of weeks.

ADJOURNMENT:

RANDY CROZIER made the motion to adjourn the meeting. The meeting adjourned at 4:30 PM.