WEBER BASIN WATER CONSERVANCY DISTRICT
BOARD OF TRUSTEES MEETING
THURSDAY, AUGUST 1, 2024, 9:00 A.M.
DISTRICT HEADQUARTERS

1) Welcome & Pledge of Allegiance ..... Chair Osguthorpe

2) Consideration of Approval of Minutes for Regular Board Meeting and Hearing on Petitions for Water Contracts held June 27, 2024, and Orientation Meeting held June 24, 2024 ..... Chair Osguthorpe

3) Consideration of Approval of Fourth Quarter 2024 Financial Report .....Trustee Buttschardt

4) Consideration of Approval of Interlocal Agreement With Community Reinvestment Agency of Syracuse City ..... Gen. Mgr. Paxman and Mgr. Bravo

5) Hearing on Petitions for Water, Transfers of Water, Water Contracts, and Cancellations of Water ..... Mgr. Searle

A. DAVIS COUNTY:

Cancellations of Water

1) David & Sarah Excell ..... .0.28 a.f. Proj.
Talbot Estates (11-897-0132)

2) Grant Bunderson ..... .0.28 a.f. Proj.
Talbot Estates (11-897-0128)

3) Kurt & Connie Kohfeld ..... .0.85 a.f. Proj.
Talbot Estates (11-897-0117)

4) Sokchantha & Soksan Heng ..... .0.33 a.f. Proj.
Talbot Estates (11-897-0124)

5) Evan Van Dyke ..... .1.0 a.f. Proj.
Layton (09-066-0436)

6) William & Diane Haberstock ..... .1.0 a.f. Proj.
Tanglewood (11-845-0201)

B. SUMMIT COUNTY:

Petitions for New Water

1) Jace Richins ..... .0.65 a.f. Dist. 4
Henefer (NS-774-BDY-D)

C. WEBER COUNTY:

Petitions for New Water

1) Capital Reef Management LLC ..... 1.2 a.f. Other
West Haven (15-092-0108 & 15-092-0109)

2) Rochelle Finder Revocable Trust ..... 0.65 a.f. Dist. 4
Liberty (22-015-0074)

3) T&L Butler Real Estate Holdings LLC..... 0.65 a.f. Dist. 4
Wolf Creek (22-425-0001)

Cancellations of Water

1) Timothy & Nikole Embury..... 4.1 a.f. Proj.
Plain City (19-068-0003)

2) Melisa & Kelly Stark..... 0.6 a.f. Dist. 1
Uintah Bench (07-132-0026)

6) Water Supply Report .....Mgr. Olsen

7) Consideration of Approval of the Phase 16 Gen. Mgr. Paxman
Meter Project Construction Contract .....and AGM Nelson

8) Consideration of Approval of X Marks the Spot Axiom Gen. Mgr. Paxman
Constructors Concrete Replacement Considerations.....and AGM Nelson

9) Consideration of Approval of The Sustainability and Resiliency Gen. Mgr. Paxman
Project Phase 2 Professional Services Design Fee .....and AGM Nelson

10) General Manager's Report .....Gen. Mgr. Paxman

11) Other Business

12) Closed Session to Discuss Purchase of Real Property

MINUTES OF A REGULAR MEETING OF THE WEBER BASIN WATER CONSERVANCY DISTRICT BOARD OF TRUSTEES HELD THURSDAY, AUGUST 1, 2024, 9:00 A.M., AT DISTRICT HEADQUARTERS

Present:
Chair Angie Osguthorpe
Trustee Jared Andersen
Trustee Mark D. Anderson
Trustee Kym O. Buttschardt
Trustee Randy B. Elliott
Trustee Gage Froerer
Trustee Scott K. Jenkins
Trustee Christopher F. Robinson
Trustee Paul C. Summers

Scott W. Paxman, General Manager/CEO
Mike Malmborg, Legal Counsel
Jody Williams, Legal Counsel

Brittney Bateman, Finance Analyst
Calysta Bravo, Mgr. of Finance
Suzy Eppens, Contracts Administrator
Darren Hess, Assistant General Manager
Josh Hogge, Mgr. of M&I
Shane McFarland, Mgr. of Engineering
Brad Nelson, Assistant General Manager
Riley Olsen, Mgr. of WS&P
Greg Pierce, Mgr. of Information Services
Jon Parry, Assistant General Manager
Kendall Searle, Mgr. of Administration
Kathy Wood, Mgr. of Human Resources

Thane Clark, Bowen Collins and Associates
Jeremy Williams, Hazen
Ben Kirk, BOR
Cam Walker, HDR
Dave Maughan, Mayor of Syracuse City
Noah Steele, Syracuse City
Brody Bavero, Syracuse City

I
WELCOME & PLEDGE OF ALLEGIANCE

Chair Osguthorpe welcomed the trustees, staff, and visitors. She led the group as they recited the Pledge of Allegiance.

II
APPROVAL OF MINUTES

Chair Osguthorpe presented minutes of the regular board meeting and hearing on petitions for water contracts held June 27, 2024 and orientation meeting held June 24, 2024 for review and approval. There were no additions or corrections. Motion was made by Trustee Froerer, seconded by Trustee Summers and passed unanimously, approving the minutes.

III
CONSIDERATION OF APPROVAL OF FOURTH QUARTER 2024 FINANCIAL REPORT

Trustee Buttschardt invited Mgr. Bravo to begin the review of the Fourth Quarter 2024 financial report. Mgr. Bravo reminded the board that this report is unaudited and there will be several invoices that will be accrued back to June through the next few months, so the numbers will change slightly.

Mgr. Bravo then presented an in-depth view at the District's Year-to-Date Actual vs. Fiscal Year Budget. She said the budget is in great shape on water sales, the majority coming from treated M&I contracts, untreated contracts, and secondary contracts. Mgr. Bravo said our tax revenue sub fund is right in line with budget, and we saw a higher success rate on collection efforts this year. She said the misc. revenue is off, the difference being due to grant fund accruals. Mgr. Bravo explained the District will continue to accrue grant funds for expenses from this quarter and this category will even out to be closer to the budget. She then reviewed the debt section and said there were two principal payments on the 2020A and 2021A & B bonds, as well as several interest payments this quarter. Mgr. Bravo said the capital projects budget category is off but will be more in line once accruals are accounted for in the quarter. She said the misc. expenses came in lower than expected, largely due to water shares being unavailable for purchase. Mgr. Bravo explained the District intends to be proactive in the budget for acquiring water as water purchases can only be made if and when they become available. She said bond proceeds were expended this fiscal year and, as the board is already aware, we are looking at bonding soon.

Mgr. Bravo then reviewed the O&M budget in detail. She said for revenue, we are over our annual budget in water sales and had an unexpected $2M in power sale settlements and we are still waiting for the Fish and Wildlife credit to come as well. Additionally, she said interest rates remained good, so the interest is above the budgeted amount.

Mgr. Bravo then reviewed each department's O&M expenses. She explained the Strategic Initiatives department's numbers are skewed because of the Meter Co-Op Program, where we bulk order meters and radios, and the partnering entities reimburse the District when they pick up their equipment. She said we are still waiting for an invoice to be paid but expect that will come through shortly. Mgr. Bravo then said the Administration department is under budget because the District's insurance renewal payment was moved from May, and instead payment for renewal will be made in July this year. She said any surplus funds will be added to the reserves.

Mgr. Bravo ended her presentation by comparing the actual versus year-to-date budget and stated that everything is right on track and looking great with the 2024 budget.

Trustee Buttschardt asked Mgr. Bravo when the in-office audit will commence. Mgr. Bravo responded that the audit will likely start in September, and the audit team is anticipated to be in the office toward the end of September.

There being no other questions from the board, Chair Osguthorpe acknowledged a motion made by Trustee Buttschardt, seconded by Trustee Summers, and all were in favor of accepting the Fourth Quarter 2024 financial report as presented.

IV
CONSIDERATION OF APPROVAL OF INTERLOCAL AGREEMENT WITH COMMUNITY REINVESTMENT AGENCY OF SYRACUSE CITY

Mgr. Bravo presented an interlocal agreement with the Community Reinvestment Agency (CRA) of Syracuse City. She shared a map of the project boundaries and said this is located at 3000 W and Antelope Drive, right off the exit of the new West Davis Corridor. Mgr. Bravo said there are 168.89 acres that are mostly vacant. She said the development is primarily to be commercial and residential, with some job creation and infrastructure improvements.

Mgr. Bravo said this CRA is structured differently as it is not to directly fund the infrastructure as seen traditionally, but rather the CRA will be created to bond against in a newly created Public Infrastructure District (PID). She explained this will be a private bond created by the city where the money is received up front and paid back over a 25-year period and monies can be used on any infrastructure that benefits the PID area. Mgr. Bravo said the city will manage the setup of the PID, but the PID is its own entity managed by a board, and once the PID is repaid the CRA ends.

Mgr. Bravo further detailed infrastructure improvements that will be a result of the CRA including:

- 0.8 miles sewer line
- 0.8 miles storm drain
- Multiple public road and roundabout for traffic
- Upgrade existing roads with additional turn lanes etc.
- Additional trail connections and pedestrian passage
- Wetland related mitigations

Mgr. Bravo said the request under consideration is a 50% participation rate for 25 years from all taxing entities with all entities participating at the same rate. She said the District's maximum contribution is $600,000 with a maximum request from all entities combined at $20,000,000. She said a portion of up to 3% will be used for administration costs, which is in line with what we have seen in the past.

Mgr. Bravo then reviewed the 50% incremental tax revenues over the 25 years of the CRA. She showed the base year value for the District at $101.00 with a projected increase of $48,207.00 by the end of the CRA. She said the area currently generates only $5,000.00 per year in property tax revenues, but the built-out project is projected to increase that to $2.5M annually. Mgr. Bravo said other benefits include additional revenue to the city and some tax relief for citizens provided by additional tax sources such as new sales tax.

Trustee Froerer asked for the trigger date of the CRA. Mgr. Bravo replied no later than 2027. Mayor Maughan replied the project will commence as soon as possible.

Chair Osguthorpe invited Mayor Maughan to say a few words regarding the CRA. Trustee Froerer asked Mayor Maughan if the PID would be run by Syracuse City. Mayor Maughan answered the city will not be running the PID, but rather will be run by a board. He said the anchor development, as majority property owner with 32 acres, will have two seats on the board and the third will be from the second property owner within the CRA.

Mayor Maughan explained this CRA is unique in that building can and will commence as soon as possible, and because of this, there will be growth and benefit even after just one year and only escalate from there. He stated the anchor will be in by the end of year one.

Mayor Maughan stated this portion of the city was newly annexed last year. He said infrastructure over the past 30 years was built around this land as it was not included in the city. He said now there is a need for a sewer main and storm water main, and the city will contribute to this cost as well as the PID. Mayor Maughan said this also includes two roads and a roundabout.

Trustee Robinson asked Mayor Maughan to describe the commercial space and the anchor developer. Mayor Maughan answered that the anchor is Costco and there will be a hotel and a new medical office, but the intent of the project is to get the roads and needed infrastructure so these developments can come in, not to provide for the developments themselves.

Discussion continued and Mayor Maughan continued to answer questions from the board.

Mgr. Bravo said it is District staff's recommendation to approve the Interlocal Agreement for Syracuse West Davis Corridor Gateway Community Redevelopment Agency. Trustee Elliott motioned to approve, seconded by Trustee J. Andersen, and passed unanimously, approving the CRA interlocal agreement and adopting the following resolution.

RESOLUTION

BE IT AND IT IS HEREBY RESOLVED by the Board of Trustees of the Weber Basin Water Conservancy District that the Chair and General Manager of said District be, and they are hereby, authorized and empowered to execute on behalf of said District an interlocal agreement with the Community Redevelopment Agency of Syracuse City on the terms and conditions contained in the form of agreement presented to and considered at this meeting.

V
CONSIDERATION OF APPROVAL OF CANCELLATIONS OF WATER

Mgr. Searle presented the following cancellations of water contracts.

A. DAVIS COUNTY:

1) David & Sarah Excell ..... .0.28 a.f. Proj.
Talbot Estates (11-897-0132)

2) Grant Bunderson ..... .0.28 a.f. Proj.
Talbot Estates (11-897-0128)

3) Kurt & Connie Kohfeld ..... .0.85 a.f. Proj.
Talbot Estates (11-897-0117)

4) Sokchantha & Soksan Heng ..... .0.33 a.f. Proj.
Talbot Estates (11-897-0124)

5) Evan Van Dyke ..... .1.0 a.f. Proj.
Layton (09-066-0436)

6) William & Diane Haberstock ..... .1.0 a.f. Proj.
Tanglewood (11-845-0201)

B. WEBER COUNTY:

1) Timothy & Nikole Embury ..... 4.1 a.f. Proj.
Plain City (19-068-0003)

2) Melisa & Kelly Stark ..... 0.6 a.f. Dist. 1
Uintah Bench (07-132-0026)

Mgr. Searle stated property tax valuation notices have been sent to residents, and we are receiving calls regarding the charges. He also reminded the board that District staff is sending out letters to customers who have an allocation of water but do not have access to the water. Mgr. Searle stated the majority of the cancellations in Davis County are due to these factors.

Mgr. Searle then explained the Weber County cancellations. He said the home in Plain City is being serviced by Pineview and cannot use their allocation from us, so they are cancelling, and the cancellation in the Uintah Bench is due to the customer having too many pressure issues, so they decided to use culinary instead.

Mgr. Searle said District staff reviewed all cancellations presented and recommended approval, and there were no questions from the board.

Motion was made by Trustee Robinson, seconded by Trustee Jenkins and passed unanimously, approving the cancellations outlined above and adopting the following resolution.

RESOLUTION

BE IT AND IT IS HEREBY RESOLVED by the Board of Trustees of the Weber Basin Water Conservancy District that the Chair and General Manager of said District be and they are hereby authorized and empowered to execute on behalf of said District cancellation petitions for the following, on the terms and conditions contained in the form of agreement presented to and considered at this meeting.

1) David & Sarah Excell ..... .0.28 a.f. Proj.
2) Grant Bunderson ..... .0.28 a.f. Proj.
3) Kurt & Connie Kohfeld ..... .0.85 a.f. Proj.
4) Sokchantha & Soksan Heng ..... .0.33 a.f. Proj.
5) Evan Van Dyke ..... .1.0 a.f. Proj.
6) William & Diane Haberstock ..... .1.0 a.f. Proj.
7) Timothy & Nikole Embury ..... 4.1 a.f. Proj.
8) Melisa & Kelly Stark ..... 0.6 a.f. Dist. 1

VI
WATER SUPPLY REPORT

Chair Osguthorpe invited Mgr. Olsen to present. He began by reviewing the following reservoir content data:

RESERVOIR	TOTAL CAPACITY	DISTRICT CAPACITY	ACCRUED TO DIST TO DATE	% OF DIST CAPACITY	HISTORICAL RESERVOIR CONT. AS OF 7/25/23	AS OF 7/26/22
CAUSEY	7,870	6,870	6,109	89%	6,672	5,823
E CANYON	51,200	20,110	17,838	89	47,020	32,314
ECHO	73,940	6,422	0	0	64,920	54,257
LOST CRK	22,510	20,010	17,480	87	18,040	10,117
PINEVIEW	110,150	66,228	56,081	85	105,870	59,560
SMITH-M	8,351	6,560	6,560	100	7,620	7,559
WANSHIP	62,120	60,000	48,963	82	59,050	52,266
WILLARD	247,302	222,273	205,372	92	215,425	87,874
TOTAL	**583,443**	**408,473**	**358,403**	**88%**	**524,617**	**309,770**

Percent of District upstream storage is 82%.

Chair Osguthorpe asked for explanation of 0 District storage in Echo. Mgr. Olsen explained we own shares in Weber River Water Users Association, but the District does not have any actual storage in Echo Reservoir which is why there is a zero.

Mgr. Olsen stated that on average the District's active capacity is around 50-60% for this time of year, and that we are currently at 82% so we are still in very good shape. He then presented slides showing the Ogden River, Weber River, and Willard Bay storage. Mgr. Olsen said these levels are slightly below last year in all around storage, but we are still above the 5 year average and looking great.

Mgr. Olsen then discussed the District's storage allocation, soil moisture levels, precipitation and SNOTEL, forecasted runoff, weather outlooks, and drought monitor. He said August is looking dryer and hotter than usual but the overall picture looks good.

Trustee M. Anderson asked how the Willard Bay restriction being lifted impacted us this year. Mgr. Olsen said this year our runoff didn't last quite as long, so it was not a huge advantage this year but it will be in years to come.

Gen. Mgr. Paxman said we have the new inlet project at Willard to complete so storage will be coming down so we can start that project. Gen. Mgr. Paxman said this project must be done within 5 years based on BOR requirements. Mgr. Olsen said the reservoir needs to be about 10 feet lower, which is a large amount of water, so the timing on the project is not set just yet.

Mgr. Olsen then shared an update on the Great Salt Lake. He said the lake level is down slightly, with the peak being on May 29 this year at 4,195 feet, which is still above where we started the water year.

Trustee Jenkins asked who tracks the evaporative rate of the lake. Gen. Mgr. Paxman said the District does not track the evaporation but the USGS does and that is where the number of 2.5M

to 3M acre-feet a year of evaporation comes from, which is basically a large river going up into the sky.

Chair Osguthorpe thanked Mgr. Olsen for the report.

VII
CONSIDERATION OF APPROVAL OF THE PHASE 16 METER PROJECT CONSTRUCTION CONTRACT

AGM Nelson said this is the next phase of our secondary meter installations and part of the effort to have every secondary connection metered by 2030. He said this phase will include installation of 1,580 meters in Weber County and the project completion date is December of 2025.

AGM Nelson shared a map of the future installations with a breakdown of backyard and front yard connections and explained the backyard connection make these projects much more difficult. He said three bids were received for the project and Superior Pipe Services was the low bidder. AGM Nelson said we have not used this contractor before; however they have completed work for Kaysville City and come recommended. He said we feel confident they can handle the job well, and District staff will watch and inspect closely during the project.

AGM Nelson then answered questions from the board and stated District staff recommends approval to award a contract to Superior Pipe Services for the Secondary Meter Project Phase 16 in the amount of $1,992,200.00.

Motion was made by Trustee Summers, seconded by Trustee Jenkins and passed unanimously adopting the following resolution.

RESOLUTION

BE IT AND IT IS HEREBY RESOLVED by the Board of Trustees of the Weber Basin Water Conservancy District that the Chair and the General Manager of said District be, and they are, hereby authorized and empowered to execute on behalf of said District a contract with Superior Pipe Services for the Secondary Meter Project Phase 16 – Weber County in the amount of $1,992,200.00, on the terms and conditions presented to and considered at this meeting.

VIII
CONSIDERATION OF APPROVAL OF X MARKS THE SPOT – AXIOM CONSTRUCTORS CONCRETE REPLACEMENT CONSIDERATIONS

Gen. Mgr. Paxman said this property owned by Axiom has two large easements for two 72” pipelines granted to the District for the parallel pipeline project. He said within the easement contract, there are certain items of special consideration for concrete replacement.

AGM Nelson said we received a permanent easement and one of the special considerations of the agreement was to replace the concrete behind their building up to the east property line.

AGM Nelson stated the District received quotes from concrete contractors for this project and verified the price of $12.00 per square foot. Axiom is a concrete contractor and has agreed to complete the work at this verified price. AGM Nelson said the area under consideration is 24,000 square feet so the agreement would be to provide payment to Axiom to self-perform the concrete work for a total of $288,000.00.

Motion to approve was made by Trustee Froerer, seconded by Trustee M. Anderson, and passed unanimously approving the concrete replacement agreement with Axiom Constructors to provide payment of $288,000.00, and adopting the following resolution.

RESOLUTION

BE IT AND IT IS HEREBY RESOLVED by the Board of Trustees of the Weber Basin Water Conservancy District that the Chair and General Manager of said District be, and they are hereby, authorized and empowered to execute on behalf of said District a concrete replacement agreement with Axiom Constructors for a total of $288,000.00 on the terms and conditions contained in the form of agreement presented to and considered at this meeting.

IX
CONSIDERATION OF APPROVAL OF THE SUSTAINABILITY AND RESILIENCY PROJECT PHASE 2 PROFESSIONAL SERVICES DESIGN FEE

AGM Nelson shared a project overview slide, showing Phase 2 detail design as the next step in the project. He explained there are two plants, a reuse plant and water treatment plant. He then showed a chart of the general treatment on both processes. AGM Nelson said the idea is now to combine these facilities and he reviewed the shared benefits. He stated the shared elements included are the chemical building, maintenance building, operations building, the land, staffing, and additional infrastructure. He said there is a significant cost savings to sharing these elements of the two treatment facilities.

Trustee Jenkins inquired about the ownership of the water and what rights will be used for the Sustainability and Resiliency Project. AGM Nelson said we are using Federal water, discharged out of the wastewater plant. Gen. Mgr. Paxman said the underlying water rights are owned by the District and the United States of America for the Weber Basin Project, which is Federal water. He said the owner of the water going in is still the owner of that water going out, until it gets to the river.

Gen. Mgr. Paxman said the legislation cleared this up around 10 years ago. Legal Counsel Williams said that is correct, or if there is a contract to use it granted from the underlying water right holder.

Discussion on the reuse bill and the project continued.

AGM Nelson invited the consultant Jeremy Williams, with Hazen, to present in more detail on the project. He shared a generic map for the potential site layout which also had the following cost breakdown:

Sustainability and Resiliency Project = $58M
West Weber Water Treatment Plant = $182M
Shared Support Facilities = $72M
Estimated Project Total = $312M

Mr. Williams then explained the significant cost savings from co-locating these two treatment facilities on a shared site.

Mr. Williams reviewed the design estimating approach that was used in calculating the cost for the Phase 2 design. He said it was built from the bottom up, task by task, facility by facility. Mr. Williams then reviewed the task and description of each item on the fee estimate for design of both treatment facilities and stated the total combined cost with dual facility savings included is $27,354,884.00.

Trustee Robinson asked what percentage of the total project cost this phase would be, to which Mr. Williams replied about 8.75%.

AGM Nelson reminded the board that Hazen and Bowen Collins were awarded the engineering and design contract for the project at the November 2023 board meeting and that cost negotiations would be done by phase as the design process progressed. He said we are seeking board approval for the cost of Phase 2, not approval of Hazen and Bowen Collins as they have already been selected.

Trustee J. Andersen asked how long this design phase will take. Mr. Williams said approximately two years. He said they have put together the entire delivery team with Hazen being over the advanced treatment process and Bowen Collins specializing in the complex infrastructure getting water to and from the plants. He said there is just so much to take into consideration as this is a very complex, technical project.

Trustee Summers asked how much water will come from this project. AGM Nelson said we will design it for 10MGD from each facility, 20MGD total, so around 5,500 ac-ft per year.

Discussion continued and Mr. Williams continued to answer questions from the board.

Mr. Williams showed a graph that demonstrated the cost savings opportunities decrease through each stage of the project life cycle, so this is the time to optimize, and much time has been spent doing so.

Mr. Williams said there is still plenty of planning work to be completed and that work can be done without having a site nailed down just yet. He said there is a planning period where work can advance without the site, but there is a hardline when the site must be final to advance through final planning phases.

Motion to approve was made by Trustee Robinson, seconded by Trustee Froerer, and passed unanimously approving $27,354,884.00 for Phase 2 design of the dual-purpose plant which contract was previously awarded to Hazen and Bowen Collins and Associates and adopting the following resolution.

RESOLUTION

BE IT AND IT IS HEREBY RESOLVED by the Board of Trustees of the Weber Basin Water Conservancy District that the Chair and General Manager of said District be, and they are hereby, authorized and empowered to execute on behalf of said District approval of cost in the amount of $27,354,884.00 for Phase 2 Design of the Sustainability and Resiliency Project based on the previously approved contract with Hazen and Bowen Collins and Associates on the terms and conditions contained in the form of agreement presented to and considered at this meeting.

X
GENERAL MANAGER'S REPORT

Gen. Mgr. Paxman reminded the board that the annual appreciation luncheon will take place Thursday, August 29, 2024 immediately after board meeting. He said attire can be more business casual as this is an outdoor event.

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Gen. Mgr. Paxman stated the NWRA Conference is November 6-8 and will be held in Albuquerque, New Mexico this year. He said to mark your calendars and expect to see more information coming soon.

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Gen. Mgr. Paxman said the District has heard back from the ratings agencies and they maintained our rating levels, which is excellent news. He stated the Fitch rating came in at AAA and S&P came in at AA+ so we are very pleased. He stated there was concern over the level of debt we are entering into, but the agencies remained confident that the District can repay what we are taking.

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Gen. Mgr. Paxman said the next orientation meeting will be Monday, August 26 and Trustee J. Andersen has arranged for the board to tour the Wasatch Peaks development in Morgan County. He said this is a tour you will not want to miss so to please mark calendars now.

XI
CLOSED SESSION TO DISCUSS PURCHASE OF REAL PROPERTY

Chair Osguthorpe asked for a motion to enter a closed session to discuss the purchase of real property. Trustee Summers motioned, seconded by Trustee M. Anderson and the vote was unanimous to enter closed session.

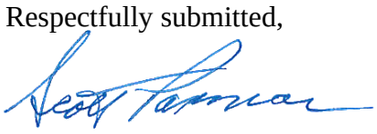
Motion to adjourn closed session was made by Trustee Jenkins, seconded by Trustee Robinson and passed unanimously, which moved the session back into public meeting.

There was no decision made as a result of closed session, only discussion.

XII
ADJOURNMENT

There being no further business for discussion, meeting adjourned at 10:40 a.m.

Respectfully submitted,



Scott W. Paxman, General Manager/ CEO

The Board of Trustees of the Weber Basin Water Conservancy District, Utah, met in public session August 1, 2024, at 9:00 a.m., at District headquarters, Layton, Utah. Meeting was called to order by Chair Angie Osguthorpe. On roll call the following members were found to be present:

Present:
Chair Angie Osguthorpe
Trustee Jared Andersen
Trustee Mark D. Anderson
Trustee Kym O. Buttschardt
Trustee Randy B. Elliott
Trustee Gage Froerer
Trustee Scott K. Jenkins
Trustee Christopher F. Robinson
Trustee Paul C. Summers

Scott W. Paxman, General Manager/CEO
Mike Malmborg, Legal Counsel
Jody Williams, Legal Counsel

Brittney Bateman, Finance Analyst
Calysta Bravo, Mgr. of Finance
Suzy Eppens, Contracts Administrator
Darren Hess, Assistant General Manager
Josh Hogge, Mgr. of M&I
Shane McFarland, Mgr. of Engineering
Brad Nelson, Assistant General Manager
Riley Olsen, Mgr. of WS&P
Greg Pierce, Mgr. of Information Services
Jon Parry, Assistant General Manager
Kendall Searle, Mgr. of Administration
Kathy Wood, Mgr. of Human Resources

Thane Clark, Bowen Collins and Associates
Jeremy Williams, Hazen
Ben Kirk, BOR
Kent Walker, HDR
Dave Maughan, Mayor of Syracuse City
Noah Steele, Syracuse City
Brody Bavero, Syracuse City

Mgr. Searle stated the meeting was being held pursuant to notice to the public, duly published as required by law, for the purpose of permitting all interested persons to show cause why the respective petitions for water contracts of the individuals as set forth in the notice, copies of which are attached hereto and incorporated by reference as a part of these minutes, for the allotment of water to lands in Summit and Weber Counties, Utah, by the Weber Basin Water Conservancy District, should not be granted.

Mgr. Searle reported there have been no written objections filed against the foregoing petitions and asked for any other objections to be presented at this time. No objections were received.

Thereupon the following resolution was presented and read:

RESOLUTION GRANTING PETITIONS FOR THE ALLOTMENT
OF WATER BY WEBER BASIN WATER CONSERVANCY DISTRICT

WHEREAS, acting pursuant to Section 73-9-19, Utah Code Annotated, 1953, as amended, there has been filed in the office of the Weber Basin Water Conservancy District, the following petitions for water contracts requesting the allotment of Weber Basin water annually, pursuant to the terms and conditions set forth in said petition:

A. SUMMIT COUNTY:

1) Jace Richins ..... .0.65 a.f. Dist. 4
Henefer (NS-774-BDY-D)

B. WEBER COUNTY:

1) Capital Reef Management LLC.....1.2 a.f. Other
West Haven (15-092-0108 & 15-092-0109)

2) Rochelle Finder Revocable Trust ..... 0.65 a.f. Dist. 4
Liberty (22-015-0074)

3) T&L Butler Real Estate Holdings LLC..... 0.65 a.f. Dist. 4
Wolf Creek (22-425-0001)

Whereas after the filing of said petitions, it was determined to hold a public hearing on same in the office of the Board of Trustees of the District, and the General Manager of the District caused due and proper notice of the holding of such hearing to be posted to the Utah Public Notice Website on July 17, 2024, which notice advised all interested persons of the holding of such hearing and of their right to present objections in writing showing cause why such petitions should not be granted, and

WHEREAS, at the hour and place named in said notice, or at a subsequent meeting adjourned there from, the Board of Trustees of the District has met in public session and has heard all persons desiring to be heard and written or other objections having been presented, and

WHEREAS, after due consideration, it is the determination of the Board of Trustees that it is for the best interest of the District that such petitions should be granted.

NOW, THEREFORE, be it Resolved and Ordered by the Board of Trustees of the Weber Basin Water Conservancy District, as follows:

Section 1. That it is hereby determined to be in the best interest of the Weber Basin Water Conservancy District, that such petitions be granted.

Section 2. That said petitions are hereby granted and amounts of water in acre-feet are hereby allotted to the respective petitioners for the lands for which the same is petitioned, all as above set out.

Section 3. That the Chair of the District is hereby authorized and directed in the name of the District and on its behalf to execute formal orders granting said petitions allotting water to lands therein described, upon the terms, at the rates, and payable in the manner as in said petitions set forth and the General Manager/Secretary of the District is authorized and directed to attest said order.

Section 4. The Secretary of the Board of Trustees on its behalf, is directed to cause a fully executed copy of said order, to which shall be attached a copy of the petitions upon which the order is made, to be recorded in the office of the respective County Recorder.

After consideration of the resolution and order, motion was made by Trustee Robinson, seconded by Trustee Jenkins and passed unanimously, approving petitions for water contracts in Summit and Weber Counties and adopting the foregoing resolution.

Approved and adopted August 1, 2024.

Angie Osguthorpe, Chair

ATTEST:

Scott W. Paxman, General Manager/ CEO

(SEAL)

MINUTES OF AN ORIENTATION MEETING OF THE WEBER BASIN WATER CONSERVANCY DISTRICT BOARD OF TRUSTEES HELD MONDAY, JULY 29, 2024, 9:00 A.M., AT DISTRICT HEADQUARTERS

Present:
Chair Angie Osguthorpe
Trustee Jared Andersen
Trustee Mark D. Anderson
Trustee Gage Froerer
Trustee Scott K. Jenkins
Trustee Christopher F. Robinson
Trustee Paul C. Summers

Absent:
Trustee Kym O. Buttschardt

Telephonic:
Trustee Randy B. Elliott

Scott W. Paxman, General Manager/CEO
Darren Hess, Assistant General Manager
Brad Nelson, Assistant General Manager
Jon Parry, Assistant General Manager
Kendall Searle, Administration Manager
Suzy Eppens, Contracts Administrator

I
UPDATE ON WILDFIRE MITIGATION PROJECT

Chair Osguthorpe welcomed all in attendance and excused Trustees Buttschardt and Elliott. Gen. Mgr. Paxman then invited AGM Hess to present on the Wildfire Mitigation Project.

AGM Hess began by explaining how our District is involved in this coalition. He said there are four agencies involved including Summit County, World Resources Institute (WRI), United States Forest Service, and Weber Basin Water Conservancy District. AGM Hess said this coalition started largely due to the Dollar Ridge Fire in 2018 that really showed what can happen to water quality after a disaster event.

Trustee Jenkins expressed concerns regarding protecting the watershed. Gen. Mgr. Paxman said yes, this coalition was created to encourage the Forest Service to manage these issues and protect the watershed. AGM Hess said the coalition is primarily focused on the health of the watershed.

AGM Hess said we are very concerned about the upper watershed in Weber Canyon, near Oakley. He said the diversion above Rockport Reservoir would be susceptible to a major wildfire. AGM Hess said the water treatment plants in Snyderville Basin are membrane plants and do not have the pretreatment process with the sediment basins and the removal of debris. He explained if there was a fire, the sediment would essentially make the water non-treatable through the membrane process.

AGM Hess stated there was over $20M of emergency spending due to the Dollar Ridge Fire, and Summit County is very concerned because a similar fire would completely cripple their water supply.

Trustee M. Anderson gave a personal example of the Kays Creek System getting stopped up from fire debris, and said it is very tough to deal with so on a large-scale basis it would be awful.

AGM Hess shared a map showing the wildfire hazards within the Weber River Watershed boundary, and stated we are in the top 25 for the most hazardous and at risk for fire. He said we are mainly focused on the area above Oakley, mainly because of the diversion above Rockport. He stated the Wasatch Front area is also high, but we can pretreat in the area, so the main focus is the 35,000 acres that can be treated in that focused area.

AGM Hess showed a picture of Red Pine Creek above Smith & Morehouse Reservoir and how it is surrounded by forest. He said this problem is from years of disregard and no proactive projects that address dying trees. He also said due to lack of moisture, these trees do not regenerate as quickly as an area like the Pacific Northwest.

AGM Hess shared a map of the long-term plan for the Upper Weber on Forest Service lands. He said is difficult to bid out this clearing as there are areas that require a combination of hand thinning and machine piling, and hand thinning and hand piling which takes a long time to complete this extremely difficult work over 65,000 acres. Gen. Mgr. Paxman said much of this is infected with the pine beetle, and it is not good quality wood, so much of it gets burned.

Trustee Jenkins commented that there are good processes of clearing, but it is very expensive. AGM Hess said yes, there was 40 acres that cost about $80,000 just to clear the land, but we must start and keep working on it and this 10-year plan is a good beginning.

AGM Hess shared a map of the planned treatments on private land and District Infrastructure. He said the areas of focus currently are Alpine Acres, South Fork, and Seymore Canyon which is a privately owned area that had 50 acres cleared and that work finished about 10 days ago. AGM Hess said Chalk Creek is another area and the concern is really about the north and south slope.

AGM Hess explained that the counsel hired a part-time employee, Josh Cohan, who splits his time between the coalition and Salt Lake City Public Utilities and also works for WRI. AGM Hess meets with him weekly, and he has helped put together a grant. AGM Hess explained the America the Beautiful Grant and shared the following:

- Requested Amount: $4,139,341.88 to be spend over 4 years (2025-2028)
- Partners: DWR (applicant), Watershed Restoration Initiative, FFSL, Summit County, United States Forest Service, Sageland Collaborative, Northwest Band of the Shoshone Nation, and World Resources Institute
- Treatments: 1,797 acres of forest health treatments (hand cut and pile), 12 miles of stream restoration, and 564 acres of invasive weed management across Forest Service and private lands in the Weber Headwaters
- Other: Comprehensive public engagement strategy to gain local support and work with tribal organizations to develop an outreach strategy to increase collaboration between land managers and local tribes

AGM Hess shared a map of the projected treatment areas included in the grant plan.

AGM Hess made mention of the riparian restoration treatments planned for Red Pine Creek and Beaver Dam analog construction as they flow to Smith & Morehouse. He said this will treat invasive and noxious weeds in these and other areas to help with water quality.

AGM Hess shared a map of the Sentinel Landscape Designation for the Great Salt Lake Area and said the WRI was instrumental in successfully applying for this designation. He explained sentinel landscaping is an effort to strengthen military readiness in the area, conserve existing natural resources as much as possible, and increase outdoor recreation and promotion. AGM Hess said this area was one of five that was recently designated by military installations to have additional recourses of up to $2M - $3M annually of federal funds that could come to the area and part of that funding could be for wildfire mitigation. He said this is a big win and achievement to be designated as a sentinel landscape.

Discussion continued and AGM Hess answered questions from the board.

II
UPDATE ON GALLONS PER CAPITA PER DAY (GPCD) USAGE AND REPORTING

Gen. Mgr. Paxman said AGM Parry will be giving an update on the “gallons per capita per day” usage formula and reporting. He said there is no consistent calculation across the country, let alone the state, and Utah appears to be the second highest calculated rate in the country, however we believe this is because we show all uses without showing the returns to the natural system.

AGM Parry said SB 119, passed in 2022, made a requirement that all reporting Districts shall annually provide the Division of Water Rights a calculation of gallons per capita consumptive water use for counties in which the reporting district provides wholesale water to a retail water supplier.

Gen. Mgr. Paxman said this bill essentially took the reporting out of the hands of the Division of Water Resources and put it in the hands of the water districts to come up with the calculation within the service area of counties of the first and second class. He said this was the biggest change, and it also restricted the Division of Water Resources from publishing a whole state per capita number.

AGM Parry said the requirements of SB 119 are annual reporting by July 1, with 2024 being the first year, of water use in counties of the first and second class, which is based on population study. He said the Utah Division of Water Recourses designates the reporting districts, but essentially these are the large water districts in the state. AGM Parry then said the bill states reporting entities shall use reliable, timely information for municipal and industrial use including commercial, institutional, and residential use.

AGM Parry then outlined the methodology used in creating a formula to calculate water use within our counties. He stated we will use reliable, timely information, and said we anticipate this to become more reliable as we continue to meter all connections. AGM Parry said there were allowances for transient populations, such as communities with many second homes or areas where there is a large importation of day workers. He said the calculation is only to be used from community water systems with a population greater than 3,300 people, and to use metered water use for culinary and secondary. AGM Parry said the challenge is the ongoing metering effort, there are huge data gaps where there is no secondary metering yet, and we ultimately used source meter data with estimates of loss within the system to get to end use.

AGM Parry then showed a map of the Weber Basin Drainage and gave the following statistics:

- 2,500 square miles
- 5 counties
- 33 municipalities
- 120 community water systems
- 40 irrigation companies
- 6 wastewater facilities

AGM Parry said doing the GPCD calculations with the overlapping providers that serve over 3,300 people within our drainage gets complicated. He said we did work closely with Central Utah, Washington County, and Jordan Valley to compare methodologies and ensure similarities in how to quantify the water use.

AGM Parry then explained the GPCD formula that was used. He said indoor water use, outdoor water use, and return flows are all part of the equation. He said because of the different water sources from different water providers such as wells, providers own sources, and Weber Basin contracts, calculating becomes even more complicated.

As an example, AGM Parry used West Haven and explained this area has 4 different culinary providers and 2 different secondary providers. He said the data from each secondary water provider is taken, and then is pieced out on how water gets to the different service areas. AGM Parry said the service area boundaries for the culinary providers were used for indoor use, and the return flow numbers were then calculated. He said the District used the minimum return flow numbers in our calculation

AGM Parry said once we have those numbers, we can find the percentages of service area defining metered end use to their customers. He said the age of the different systems as well as other factors were considered when determining losses in each system. AGM Parry said data gathered from wastewater facilities was used to determine return flow, and again we took the minimum return flow credit.

AGM Parry shared the formula used and showed the consumptive GPCD calculations results.

$$GPCD_c = \left(\frac{\frac{[\Sigma PWS + \Sigma SWS]}{POP}}{365} \right) - RF$$

Where:

$GPCD_C$ = Consumptive Per Capita Water Use in Gallons per Capita per Day

PWS = Total Metered Treated Water Deliveries

SWS = Total Metered Source Secondary Water Deliveries within the respective PWS with loss assumptions

POP = 2023 Population based on WFRC TAZ boundaries contained within the PWS

RF = Return Flow, weighted average based on percent of the area served within the respective POTW service areas. Calculated based on the minimum monthly average discharge from the applicable POTW.

	Weber County	Davis County
PWS	11	17
Secondary Companies	6	16
Treated AF	29067	35415
Secondary AF	33090	49524
Population	250355	357346
Treated GPCD	104	88
Secondary GPCD	118	124
Total GPCD	222	212
Return Flow Credit	93	80
Consumptive GPCD	**129**	**133**

Trustee Robinson said not all communities are created equally, and it's not an apples-to-apples comparison. AGM Parry agreed and said it likely never will be as there will always be different losses and considerations taken.

Trustee Summers asked if our GPCD will come down once all meters are installed. AGM Parry said yes, it sure will, as we will engage with the customers and educate on how to become more efficient. He also said we can move forward with additional conservation programs once all meters are installed, such as bill by the gallon or other incentive opportunities.

AGM Parry ended his presentation by saying over the next few years the process will be refined and we will have more quality assurance and quality control as we move forward.

Gen. Mgr. Paxman said we will see how the state responds to our reporting. He explained the state will come out with a number for counties that are not class one or two. Gen. Mgr. Paxman said no other state in the nation has a statewide number, but Utah does for some reason, and it is very high. He said the Colorado River Commissioner, Gene Shawcroft, has said the state needs to report differently to have a fair comparison with other states. AGM Parry said our process of calculating is to use the methodology that compares well with how the rest of the states measures. He said we tried to be as transparent as possible.

Discussion continued on this difficult process, and the trustees commended AGM Parry on a job well done.

III
ADJOURNMENT

There being no further business for discussion, meeting adjourned at 11:14 a.m.

Respectfully submitted,

Scott W. Paxman, General Manager / CEO