WEBER BASIN WATER CONSERVANCY DISTRICT
BOARD OF TRUSTEES MEETING
THURSDAY, SEPTEMEBER 26, 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 August 29, 2024, and Orientation Meeting held August 26, 2024..... Chair Osguthorpe

3) Consideration of Approval of August 2024 Financial Report .....Trustee Buttschardt

4) Consideration of Supplemental Resolution Authorizing the Issuance and Sale of up to $285 Million of WIFA Water Revenue Bonds; and Related Matters ..... Gen. Mgr. Paxman and Analyst Bateman

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

A. DAVIS COUNTY:

Cancellations of Water

1) The Johnson Family Trust ..... .1.7 a.f. Proj.
Layton (11-579-0013)

2) Charles & Cristie Piquette ..... .2.0 a.f. Proj.
Layton (11-579-0006)

3) Adam & Nicole Vobora..... 0.51 a.f. Proj.
Kaysville (11-914-0239)

B. SUMMIT COUNTY:

Petitions for New Water

1) Gary Labrum..... .0.65 a.f. Dist. 4
Tollgate Canyon (SS-146-L-2)

C. WEBER COUNTY:

Petitions for New Water

1) Marquee Homes, Inc and Liberty Pipeline Co. ..... 0.65 a.f. Dist. 4
Liberty (22-164-0003)

Cancellations of Water

1) Walker Family Trust.....1.4 a.f. Other
West Haven (08-208-0026)

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

7) Department Update – Water Supply & Power Department .....Mgr. Olsen

8) Consideration of Approval of Construction Management Services for the 1800 North Interchange Project ..... Gen. Mgr. Paxman and AGM Nelson

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

10) Other Business

MINUTES OF A REGULAR MEETING OF THE WEBER BASIN WATER CONSERVANCY DISTRICT BOARD OF TRUSTEES HELD THURSDAY, SEPTEMBER 26, 2024, 9:00 A.M., AT DISTRICT HEADQUARTERS

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

Excuse:
Trustee Gage Froerer
Trustee Kym O. Buttschardt

Scott W. Paxman, General Manager/CEO
Mike Malmborg, 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
Jon Parry, Assistant General Manager
Kendall Searle, Mgr. of Administration
Kathy Wood, Mgr. of Human Resources

Shane Hayden, Consor Engineers
Trevor Datwyler, AE2S
Clark Burbidge, Codale
Ben Kirk, BOR

I
WELCOME & PLEDGE OF ALLEGIANCE

Chair Osguthorpe welcomed all in attendance. She excused Trustees Froerer and Buttschardt and 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 August 29, 2024 and orientation meeting held August 26, 2024 for review and approval. There were no additions or corrections. Motion was made by Trustee Jenkins, seconded by Trustee Summers and passed unanimously, approving the minutes.

III
CONSIDERATION OF APPROVAL OF AUGUST 2024 FINANCIAL REPORT

Mgr. Bravo was invited to present. She said this is the second month of the fiscal year. Mgr. Bravo reported the revenues are slightly above the year-to-date budget and the expenses are slightly below where we expected. She said the accruals back to the previous fiscal year are happening and we will still see a few expenses and grant funds accrued back. She stated water sales are low, but that is to be expected for this time of year and sales will pick up in November and December as we collect annual assessments. She then reviewed the sources and uses statement and the year-to-date actual verses the fiscal year budget and said everything is right on track for the year.

Motion was made by Trustee Robinson, seconded by Trustee M. Anderson and passed unanimously, approving the August 2024 financial report as presented.

IV
CONSIDERATION OF SUPPLEMENTAL RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF UP TO $285 MILLION OF WIFIA WATER REVENUE BONDS; AND RELATED MATTERS

Fin. Analyst Bateman reviewed the timeline of the WIFIA funding and stated October 24, 2024, is the estimated closing date. She then reviewed why the WIFIA funding option is the right choice for the District by reviewing the quantitative and qualitative benefits as follows:

Quantitative Benefits

- Savings of up to $83MM over life of loan
    - Only pay interest as amounts drawn down
    - Fewer rating/issuance fees
    - Deferred annual payments
- Aug 2024 bond issuance:
    - Total Interest: 3.98% Refund and 4.23% New Money
    - 30-year Treasury: 4.13%

Qualitative Benefits

- Economic Risk Management
- Repayment Flexibility
- Pre-Approval/Principal Flexibility
- Structure
- Reimbursements/Cash Flow

Fin. Analyst Bateman answered questions from the board. Discussion continued.

Gen. Mgr. Paxman requested Fin. Analyst Bateman review our financial advisor team. She replied that for the WIFIA loan we have been using LRB as our financial advisor, advisor Lee Forsgren with HBW Resources LLC who is the former director of the WIFIA program, and Eric Hunter with Chapman and Cutler as our bond attorney. She said we have this extremely impressive team that helps with requirements and processes.

Bateman then reviewed the Key Terms of the WIFIA loan:

- $285M issued under two sub-loans: $110M & $175M
- Non-federal revenues pledged as collateral
- Maturity up to 40 years after issuance date (10 year construction window 30 year repayment)
- Interest rate is 1 basis point above treasury rate
- Zions will be trustee

Fin. Analyst Bateman said staff is asking the board to approve a supplemental bond resolution which gives authority to the Chair and GM/Secretary to agree to the WIFIA terms and sign documents and bonds for both sub loans (with parameters) and will appoint Zions as Trustee. She said the required public hearing was held on June 27 this year regarding the District's intent to bond for WIFIA and municipal bonds, and a bond issuance notice will be posted for 30 days.

Motion was made by Trustee Robinson, seconded by Trustee Summers and passed unanimously, adopting the supplemental resolution authorizing the issuance and sale of up to $284,964,440.00 of WIFIA water revenue bonds. A copy of the supplemental resolution is attached to these minutes.

V
CONSIDERATION OF APPROVAL OF CANCELLATIONS OF WATER

Mgr. Searle presented the following cancellations of water contracts.

A. DAVIS COUNTY:

1) The Johnson Family Trust ..... 1.7 a.f. Proj.
Layton (11-579-0013)

2) Charles & Cristie Piquette ..... .2.0 a.f. Proj.
Layton (11-579-0006)

3) Adam & Nicole Vobora..... 0.51 a.f. Proj.
Kaysville (11-914-0239)

B. WEBER COUNTY:

1) Walker Family Trust.....1.4 a.f. Other
West Haven (08-208-0026)

Mgr. Searle stated the homes in Layton and Kaysville have never been connected to our secondary system, therefore these individuals have elected to cancel their allocation. He explained these properties are east of Hwy 89 and the water was secured as agricultural water, but the lands have since been developed. He said the Weber County cancellation in West Haven is a reduction based on a few years of meter data which enables the customer to confidently reduce the allocation.

Mgr. Searle said District staff reviewed all cancellations presented and recommended approval. He then answered questions from the board.

Motion was made by Trustee Summers, 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) The Johnson Family Trust ..... 1.7 a.f. Proj.

2) Charles & Cristie Piquette ..... .2.0 a.f. Proj.

3) Adam & Nicole Vobora..... 0.51 a.f. Proj.

4) Walker Family Trust.....1.4 a.f. Other

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 9/26/23	AS OF 9/26/22
CAUSEY	7,870	6,870	3,219	47%	4,726	1,762
E CANYON	51,200	20,110	14,623	71	38,180	23,885
ECHO	73,940	6,357	0	55	49,930	35,800
LOST CRK	22,510	20,010	13,560	68	14,300	6,420
PINEVIEW	110,150	66,228	50,497	70	85,900	37,340
SMITH-M	8,351	6,560	3,931	52	6,357	4,596
WANSHIP	62,120	60,000	38,750	65	48,630	34,790
WILLARD	247,302	222,273	177,028	80	189,930	72,961
TOTAL	**583,443**	**408,408**	**301,608**	**71%**	**437,953**	**217,554**

Percent of District upstream storage is 67%.

Mgr. Olsen reviewed the active capacity and storage by drainage. He said we are in a very good place for the end of September especially compared to this time in 2022.

Mgr. Olsen then shared trends of reservoir storage on the Ogden River, Weber River, and Willard Bay. He said we are right at the five year average in Causey and Pineview and are releasing quickly in Causey in anticipation of the winter. Mgr. Olsen said Wanship, Echo, Lost Creek, and East Canyon are all above the 5 year average and look great. He said Smith and Morehouse is below the 5 year average, but this is not a concern as it is a small reservoir that fills and spills each year. Mgr. Olsen said Willard Bay is slightly lower, but this is explained by the heavier pumping for our pilot program which is ending shortly.

Mgr. Olsen gave an overview of the SNOTEL sites and precipitation data for the year. He said the percentage of average precipitation at our SNOTEL sites are slightly above average, with an overall basin average of 108%. He showed a graph of the water year precipitation trend and said we are slightly above average. Mgr. Olsen mentioned the soil moisture is a little lower than we like to see at this time at 74% of average, but hopefully we will see that bump up as snow accumulates.

Mgr. Olsen shared an update on the Great Salt Lake, with an elevation of 4,192.6 feet on September 23, and said we are up about 0.7 feet from last year at this time. He shared a report published by the U.S. Geological Survey and the Utah Department of Natural Resources that shared the calculation of area and volume for the south part of the Great Salt Lake.

Mgr. Olsen then reviewed temperatures and weather outlooks for the coming month, with higher chances of warmer temperatures and lower chances of precipitation.

Mgr. Olsen then answered questions from the board.

VII
DEPARTMENT UPDATE – WATER SUPPLY & POWER DEPARTMENT

Mgr. Olsen said he will now give an update on his department, which is the Water Supply & Power (WS&P) Department. Mgr. Olsen presented an overview of the organization of the WS&P Department. He then reviewed the personnel and shared photographs of his staff which includes 17 employees under the categories of Management, Electrical, Irrigation, and Powerplants and Dams. Mgr. Olsen then shared photos and information on the facilities that fall within the WS&P Department and gave an overview of the extensive responsibilities of the department.

VIII
CONSIDERATION OF APPROVAL OF CONSTRUCTION MANAGEMENT SERVICES FOR THE 1800 NORTH INTERCHANGE PROJECT

AGM Nelson said this contract is fully reimbursable by UDOT because it is their project that affects our pipeline, so there is no cost to the District for these management services. He said this contract is for the services during construction as the project requires third party construction management services.

AGM Nelson said the project will replace an existing 14" culinary waterline along Main Street to the east of the military base, as well as install additional valving for District operations and a new meter vault for Clinton City and Sunset City connections. He stated Bowen Collins & Associates was selected through the process for a sum of $229,446.00.

Trustee J. Andersen asked if UDOT was aware of the number, and AGM Nelson replied yes, they are aware and have agreed. Gen. Mgr. Paxman said we may upsize the infrastructure and if we do so, that upsizing would be the District's cost.

Motion was made by Trustee Robinson, seconded by Trustee Jenkins and passed unanimously approving the contract with Bowen Collins & 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 the General Manager of said District be, and they are, hereby authorized and empowered to execute on behalf of said District a contract with UDOT and Bowen Collins & Associates for the UDOT 1800 North Project Outside Construction Engineering Services Reimbursement Agreement for the sum of $229,446.00, on the terms and conditions presented to and considered at this meeting.

IX
GENERAL MANAGER'S REPORT

Mgr. Paxman recapped the previous discussions regarding Mr. Bruce Hart. He said Mr. Hart has worked with staff, come before the board, and refused reimbursement of three years, around $600, and he is still petitioning to be reimbursed fully. Gen. Mgr. Paxman said Mr. Hart has recently talked with Trustee Froerer and Trustee M. Anderson. He said after he came before the board, we remained firm on the three years of reimbursement, and that is where we stand today.

Chair Osguthorpe said we must look at precedence and possible recourse. She said Mr. Hart is willing to take half, however if we pay half and are done with it, we set that precedence. Trustee Robinson agreed and suggested to "stay the course" on the offer.

Discussion continued regarding Mr. Hart's situation. The board decided to stand firm with the offer of reimbursement for three years.

****

Gen. Mgr. Paxman said there was a letter sent to the Davis County Health Department regarding our fluoride concerns. He said last night he sent a copy of a court ruling from northern California that goes against the EPA and shows an unreasonable risk of injury and risk to health for feeding the current levels of fluoride, so this is another reason to get conversations going with the health department to reduce the fluoride feed rates or eliminate them. Gen. Mgr. Paxman said he has also sent the letter to some of our customer agencies as well as the Division of Drinking Water. Gen. Mgr. Paxman said we will expectantly watch to see what happens.

****

Gen. Mgr. Paxman reminded the board the state sponsored tour of the Davis Aqueduct Parallel Pipeline Project is coming up on Wednesday, October 2, at 9:45 a.m. with presentations beginning at 10:00 a.m. here at the District. He said we had some coins minted to present at the site to the attendees who have helped with the $25M grant funds. He said there will be several people who will speak including some state legislators and representatives.

****

Gen. Mgr. Paxman reminded the board that the October orientation meeting will be held in conjunction with the Utah Water Users Summit at the Davis Conference Center.

****

Gen. Mgr. Paxman said we have received the final schedule from NWRA for the conference in Albuquerque which is being held November 6 – 8, and we need to know who will be attending the conference by today. He said there is a flight suggestion provided, but please let us know your travel plans.

X
ADJOURNMENT

There being no further business for discussion, meeting adjourned at 10:45 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 September 26, 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 Randy B. Elliott
Trustee Scott K. Jenkins
Trustee Christopher F. Robinson
Trustee Paul C. Summers

Excuse:
Trustee Gage Froerer
Trustee Kym O. Buttschardt

Scott W. Paxman, General Manager/CEO
Mike Malmborg, 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
Jon Parry, Assistant General Manager
Kendall Searle, Mgr. of Administration
Kathy Wood, Mgr. of Human Resources

Shane Hayden, Consor Engineers
Trevor Datwyler, AE2S
Clark Burbidge, Codale
Ben Kirk, BOR

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 County and Weber County, 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) Gary Labrum..... 0.65 a.f. Dist. 4
Tollgate Canyon (SS-146-L-2)

B. WEBER COUNTY:

1) Marquee Homes, Inc and Liberty Pipeline Co ..... 0.65 a.f. Dist. 4
Liberty (22-164-0003)

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 September 10, 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 Summers, seconded by Trustee Jenkins and passed unanimously, approving petitions for water contracts in Summit County and Weber County and adopting the foregoing resolution.

Approved and adopted September 26, 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 WEDNESDAY, OCTOBER 2, 2024, 10:00 A.M., AT DISTRICT HEADQUARTERS

Present:
Chair Angie Osguthorpe
Trustee Mark D. Anderson
Trustee Kym O. Buttschardt

Absent:
Trustee Gage Froerer
Trustee Christopher F. Robinson
Trustee Jared Andersen
Trustee Randy B. Elliott
Trustee Paul C. Summers
Trustee Scott K. Jenkin

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
Linsay Hartman, Executive Assistant
Shane McFarland, Engineering Manager

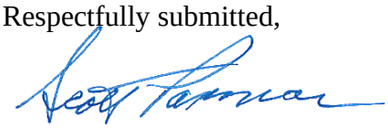
I
TOUR OF THE PARALLEL PIPELINE PROJECT

In addition to the above-mentioned attendees, there were city officials, state legislators, and state representatives in attendance. All in attendance visited and toured the Davis Aqueduct Parallel Pipeline Project and were presented with a commemorative challenge coin.

II
ADJOURNMENT

There being no further business for discussion, meeting adjourned at 12:00 p.m.

Respectfully submitted,



Scott W. Paxman, General Manager / CEO