

**WEBER BASIN WATER CONSERVANCY DISTRICT
BOARD OF TRUSTEES MEETING
THURSDAY, JANUARY 29, 2026, 9:00 A.M.
DISTRICT HEADQUARTERS**

Annual Board Meeting Agenda

- 1) Welcome and Pledge of Allegiance Chair Osguthorpe
- 2) Consideration of Approval of January 30, 2025 Annual Board Meeting Minutes Chair Osguthorpe
- 3) Election of Chairperson of the Board, Finance Chair Secretary/Treasurer, Clerk, and Budget Officer
- 4) Appointment of Trustees to Approve Expenditures and Sign Checks in the Absence of the Chairperson of the Board or General Manager-Secretary-Treasurer
- 5) Other Business

Regular Board Meeting Agenda

- 1) Recognition of Retiring Trustees – Kym Buttschardt, Paul Summers, and Jared AndersenGen. Mgr. Paxman
- 2) Consideration of Approval of Minutes for Regular Board Meeting and Hearing on Petitions for Water Contracts held December 4, 2025 and Orientation Meeting held December 1, 2025 Chairperson
Gen. Mgr. Paxman
- 3) Audit Reportand Finance Mgr. Bravo
- 4) Consideration of Approval of FY2026 Second Quarter Financial Report.....Trustee Buttschardt
- 5) Consideration of Petitions for Water Contracts and Water Allotment Contracts, Transfers, and Cancellations Mgr. Searle

A. DAVIS COUNTY:

Cancellations of Water

- 1) Compass Holdings Development, LLC23.82 a.f. Proj
Kaysville (11-036-0096)
- 2) Compass Holdings Development, LLC 1.08 a.f. Proj
Kaysville (15-098-0318)
- 3) Compass Holdings Development, LLC2.1 a.f. Proj
Kaysville (15-098-0315)
- 4) James L Quist.....1.15 a.f. Proj
Layton (10-005-0035)
- 5) Stephen C & Tamara E Schwab.....0.8 a.f. Dist 1
Layton (09-139-0002)

Petitions for Untreated Water

- 1) Davis & Weber Counties Canal Co. 8.8 a.f. Other
West Point City (Neilsen Crossing Ph #1)
- 2) Davis & Weber Counties Canal Co. 8.2 a.f. Other
West Point City (Neilsen Crossing Ph #2)
- 3) The Kellen Frey and Kari Frey Trust.0.12 a.f. Dist 4
West Bountiful (06-433-0003)
- 4) H Lofts LLC.0.29 a.f. Dist 4
Layton (09-035-0058)

Transfers of Water

- 1) Susan Adams to Susan Adams..... 0.25 a.f. Proj
Layton (09-081-0107 to 09-174-0038)

B. SUMMIT COUNTY:

Petitions for New Water

- 1) No Worries Development Group LLC0.65 a.f. Dist. 4
Oakley (CD-310-A)

C. WEBER COUNTY:

Cancellations of Water

- 1) William & Shalin Bailey Trust0.65 a.f. Dist 4
Huntsville (21-048-0013)
- 2) William & Shalin Bailey Trust0.65 a.f. Dist 4
Huntsville (21-048-0013)
- 3) William & Shalin Bailey Trust0.65 a.f. Dist 4
Huntsville (21-005-0047)
- 4) William & Shalin Bailey Trust0.65 a.f. Dist 4
Huntsville (21-005-0047)
- 5) Hairston Trust 1.3 a.f. Other
West Haven (08-217-0014)

Petitions for New Water

- 1) Lakeview Ranch LLC.....0.65 a.f. Dist. 4
Huntsville (21-008-0043)
- 2) The Natalie A Post Trust0.65 a.f. Dist. 4
Eden (22-182-0007)

- 6) Water Supply ReportMgr. Olsen
- 7) Consideration of Approval of Contractor Gen. Mgr. Paxman
Selection for North Weber Welland AGM Nelson

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- 8) Consideration of Approval of Contractor Selection for Layton Canal Upsize Project.....and AGM Nelson
Gen. Mgr. Paxman
- 9) Consideration of Approval of Consultant Selection for the Reach 2 Design Projectand AGM Nelson
Gen. Mgr. Paxman
- 10) Consideration of Approval of the Millard County Natural Gas Power Contract & Resolution with UAMPS.....and AGM Hess
Gen. Mgr. Paxman
- 11) Consideration of Approval of the Power County Natural Gas Power Contract & Resolution with UAMPS.....and AGM Hess
Gen. Mgr. Paxman
- 12) Consideration of Approval of Snyderville Basin Memorandum of Agreements.....and AGM Hess
Gen. Mgr. Paxman
- 13) Consideration of Approval of Powder Mountain Water Reuse Application.....and AGM Parry
Gen. Mgr. Paxman
- 14) General Manager’s ReportGen. Mgr. Paxman
- 15) Other Business
- 16) Closed Session: Discussion on Purchase of Water, Possible Litigation, & Property Purchase

**MINUTES OF THE ANNUAL MEETING OF THE WEBER BASIN WATER
CONSERVANCY DISTRICT BOARD OF TRUSTEES HELD THURSDAY,
JANUARY 29, 2026, 9:00 A.M., AT DISTRICT HEADQUARTERS**

Present:

Chair Angie Osguthorpe
Trustee Jared Andersen
Trustee Mark D. Anderson
Trustee Kym O. Buttschardt
Trustee Gage Froerer
Trustee Scott K. Jenkins
Trustee Christopher F. Robinson
Trustee Bob J. Stevenson
Trustee Paul C. Summers

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

Calysta Bravo, Finance Manager
Suzy Eppens, Contracts Administrator
Greg Pierce, Mgr. of Strategic Initiatives
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 Water Supply & Power
Jon Parry, Assistant General Manager
Kendall Searle, Mgr. of Administration
Sam Sorensen, Mgr. of Construction and Maintenance
Kathy Wood, Mgr. of Human Resources

Ben Kirk, Bureau of Reclamation
Steve Rowley, Keddington & Christiansen
Julie Snowball, Future Trustee

I

WELCOME & PLEDGE OF ALLEGIANCE

Chair Osguthorpe welcomed all in attendance. She then led the group as they recited the Pledge of Allegiance and began the annual meeting.

II

APPROVAL OF MINUTES FROM JANUARY 30, 2025 ANNUAL MEETING

Chair Osguthorpe presented minutes of the January 30, 2025 annual board meeting for review and approval as to form only. There were no additions or corrections. Motion was made by Trustee Stevenson, seconded by Trustee Summers and passed unanimously, approving the minutes as presented.

III

**ELECTION OF CHAIRPERSON OF THE BOARD, FINANCE CHAIR,
SECRETARY/TREASURER, CLERK, AND BUDGET OFFICER**

Chair Osguthorpe took a moment to thank the District for the opportunity to serve as Chair for the past two years. Chair Osguthorpe stated the next order of business is the election of a new Chair of the Board, Finance Chair, Secretary/Treasurer, Clerk, and Budget Officer.

Gen. Mgr. Paxman reviewed the Chair rotation for each term and county. Trustee Summers nominated Trustee M. Anderson to serve as the next Chair of the board. Trustee Stevenson motioned that the nominations cease, seconded by Trustee Jenkins, and the vote was unanimous appointing Trustee M. Anderson to Chair of the Board of Trustees.

Chair Osguthorpe looked for a motion to appoint a new Finance Chair and Trustee Stevenson motioned to appoint Trustee Robinson, seconded by Trustee M. Anderson, and the vote was unanimous appointing Trustee Robinson as Finance Chair of the board.

Trustee Robinson motioned for the reappointment of Gen. Mgr. Paxman as the Secretary and Treasurer and Mgr. Bravo as Clerk and Budget Officer of the Board of Trustees. Trustee Summers seconded the motion, and the vote was unanimous, appointing Gen. Mgr. Paxman as the Secretary and Treasurer of the Board of Trustees and Mgr. Bravo as the Clerk and Budget Officer.

IV
APPOINTMENT OF TRUSTEES TO APPROVE EXPENDITURES
AND SIGN CHECKS AND LEDGERS IN THE ABSENCE OF THE CHAIR OF
THE BOARD OR GENERAL MANAGER-SECRETARY-TREASURER

Chair Osguthorpe said the next order of business is the appointment of a Fiduciary Committee and to approve expenditures and sign checks and ledgers in the absence of the Chair and/or General Manager.

Motion was made by Trustee M. Anderson, seconded by Trustee Robinson and passed unanimously, authorizing Trustee Osguthorpe and Trustee Stevenson be authorized to approve expenditures and sign checks and ledgers in the absence of the Chair and/or General Manager.

Trustee M. Anderson motioned to appoint Trustee Stevenson and Trustee Osguthorpe to the Fiduciary Committee, seconded by Trustee Robinson, and the vote was unanimous.

V
ADJOURNMENT

Gen. Mgr. Paxman thanked Chair Osguthorpe for her responsiveness and all her efforts as Chair of the Board. He said it has been great to work with her and she is much appreciated.

Trustee Stevenson motioned to close the annual meeting, seconded by Trustee Froerer, and the annual meeting was closed.

There being no further business for discussion, the annual meeting adjourned at 9:09 a.m.

Respectfully submitted,



Scott W. Paxman, General Manager/CEO

**MINUTES OF A REGULAR MEETING OF THE WEBER BASIN WATER
CONSERVANCY DISTRICT BOARD OF TRUSTEES HELD THURSDAY,
JANUARY 29, 2026, 9:00 A.M., AT DISTRICT HEADQUARTERS**

Present:

Chair Mark D. Anderson
Trustee Jared Andersen
Trustee Kym O. Buttschardt
Trustee Gage Froerer
Trustee Scott K. Jenkins
Trustee Angie Osguthorpe
Trustee Christopher F. Robinson
Trustee Bob J. Stevenson
Trustee Paul C. Summers

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

Calysta Bravo, Finance Manager
Suzy Eppens, Contracts Administrator
Greg Pierce, Mgr. of Strategic Initiatives
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 Water Supply & Power
Jon Parry, Assistant General Manager
Kendall Searle, Mgr. of Administration
Sam Sorensen, Mgr. of Construction and Maintenance
Kathy Wood, Mgr. of Human Resources

Ben Kirk, Bureau of Reclamation
Steve Rowley, Keddington & Christiansen
Julie Snowball, Future Trustee

I

RECOGNITION OF RETIRING TRUSTEES AND BOARD CHAIR

Newly appointed Chair Anderson began the meeting by thanking his fellow trustees and District staff and expressed his excitement to be serving in his new capacity as Chair.

Gen. Mgr. Paxman invited Trustee Buttschardt to stand as he recognized her 14 years of service. He said the District has never had a bigger supporter than Kym and we all really, really, really appreciate all her support and work over the years. Trustee Buttschardt said she coined the term “Weber Basin and proud!” and how being a part of the budgets, projects, bonding, staffing and all operations at the District has been such an honor. She thanked the District for allowing her to serve and stated she’s learned so much and met so many amazing people

Gen. Mgr. Paxman then invited Trustee Summers to stand as he recognized his 12 years of service to the District. Gen. Mgr. Paxman said Paul was actually the one who hired him to work down at the State office many years ago and so his time with Paul extends even beyond the Weber Basin years and he has been supportive through it all. Gen. Mgr. Paxman said Paul is an engineer’s engineer who really understands all the major District projects and he has been a great asset these years. Paul said this year made 50 in the water business for him and he thinks that’s a good time to retire. He said through all the years the different board members have been delightful to get to know and work with as well as District staff and thanked them.

Gen. Mgr. Paxman then invited Trustee J. Andersen to stand as he recognized his 4 years of service to the District. Gen. Mgr. Paxman said the District greatly appreciates Jared’s time as a board member and all the perspectives he brought as an engineer. Trustee J. Andersen said it has always been great to work with the board members, and the District staff is incredibly impressive. He said he would easily recommend the District as the place to apply for any

engineer looking for a great place to work. He thanked everyone in the room and encouraged the great work to continue.

All three Trustees were given a commemorative coin, an engraved watch, and their portrait from the Trustees photo wall.

Gen. Mgr. Paxman then invited past Chair Osguthorpe to stand as he thanked her for her service as Chair these past two years. He said the District has involved Angie in so much as Chair including bonding and other District projects. He presented Angie with a commemorative gavel engraved with her years of service as Chair. She thanked all in attendance and welcomed new Chair Anderson.

II
CONSIDERATION OF APPROVAL OF MINUTES FOR REGULAR BOARD MEETING AND HEARING ON PETITIONS FOR WATER CONTRACTS HELD DECEMBER 4, 2025 AND ORIENTATION MEETING HELD DECEMBER 1, 2025

Chair Anderson presented the minutes of the regular board meeting and hearing on petitions held December 4, 2025 and minutes of the orientation meeting held December 1, 2025 for review and approval. There were no additions or corrections.

Motion was made by Trustee Froerer, seconded by Trustee Jenkins, and the motion carried with a unanimous vote, approving the minutes as presented.

III
AUDIT REPORT

Steve Rowley of Keddington & Christensen, the District's independent auditor, was invited to present the annual audit report to the board.

Mr. Rowley began by outlining the responsibilities regarding the audit. He said the Board of Trustees is charged with governance and are therefore responsible for overseeing the financial reporting process and procedures. He said the District has hired a great team of people who were involved with the audit. Mr. Rowley stated it takes a team effort to fulfill all the responsibilities of the District and we have an excellent group.

Mr. Rowley offered the audit opinion, discussed the Government Auditing Standards Report, requirements for a Single Audit Report, requirements with the State Compliance Report and Resolution Compliance Report. He then reported there were no findings in FY2025 resulting in an unmodified or clean opinion overall.

Mr. Rowley said the audit went very smoothly, and the District has a reliable accounting system that produces reliable financial information. He further commented that the District has sound accounting policies with no deficiencies to report, no material uncorrected misstatements, no disagreements with management, and no material corrections proposed during the audit. He then reminded the board that there were also no findings for FY2024.

Mr. Rowley concluded by stating their firm is very impressed with the District's continued commitment to accurate financial reporting. He said although accounting standards are getting more complex, the District staff does a wonderful job, and Keddington & Christensen appreciates the opportunity to be associated with the District.

Trustee J. Andersen stated with all the audits he has been involved in, he never sees a result with an unmodified opinion, or such a clean audit outcome. Trustee J. Andersen commended District staff on such a phenomenal job keeping our financials so perfectly.

Trustee Robinson agreed with Trustee J. Andersen's comment. He then made mention of the reference of \$3B in assets that the District is responsible to operate, maintain, and eventually replace. He asked if we have a replacement plan in place for that large expectation. Gen. Mgr. Paxman answered that, yes, there is definitely a plan in place, and it is frequently reevaluated.

Trustee Robinson then asked a question regarding the operating revenue being less than our expenses. Mgr. Bravo stated that tax revenues do not count toward the operating revenue, but we do have those revenues to offset the expenditures.

Mgr. Bravo then answered questions from the board. Once all questions were answered, Chair Anderson thanked Mr. Rowley and turned the time over to Mgr. Bravo.

Mgr. Bravo began presenting the Management Discussion & Analysis (MD&A) by giving an overview of the District and overview of the financial statements. She explained the internal accounting structure that included the Enterprise Fund, Government/Tax Fund, Revenue Fund, O&M, CAN, CARR, and Long-Term Debt funds. Mgr. Bravo presented the Condensed Statement of Net Position, Condensed Statement of Revenues, Condensed Statement of Actual vs. Budget Amounts, Capital Asset and Long-Term Debt Activity, Adjusted Sum of Valuations and Tax Rate, and Expectations of Changes in Financial Position.

Mgr. Bravo concluded by sharing her confidence that the District will continue to be in a strong financial position. She said the District is funding projects appropriately and planning long term with the board’s direction to finance capital projects and programs.

Mgr. Bravo answered questions from the board and discussion continued.

Chair Anderson acknowledged a motion to accept the Audit Report by Trustee Robinson, seconded by Trustee Jenkins and passed unanimously accepting the report.

**IV
CONSIDERATION OF APPROVAL OF FY2026
SECOND QUARTER FINANCIAL REPORT**

Trustee Buttschardt asked Mgr. Bravo to give the FY2026 Second Quarter Financial Report. Mgr. Bravo said the District is half way through the year and in great shape financially according to the budget. She began presenting the YTD Actual vs. Fiscal Year budget. She stated we are right where we anticipated to be in water sales revenues, mostly treated M&I and secondary water right now, and these payments will continue coming. Mgr. Bravo said tax revenues are right on track as well. She then stated the miscellaneous revenue is slightly lower than anticipated due to grant revenues, but this will catch up throughout the year.

Mgr. Bravo then reviewed the debt that was paid during the second quarter including interest and principal. She presented the capital budget which includes major projects being the Willard Canal Lining, the Highway 224 project, the South Weber Well 2, and the Weber South Water Treatment Plant Tank. She then explained the purchase of water stock from the miscellaneous expenses.

Mgr. Bravo then gave an in-depth overview of the O&M Statement for the quarter. She said we are right on track and looking great for the YTD revenues and in great shape for expenses as well. Mgr. Bravo ended by reviewing the reserves.

Trustee Buttschardt motioned to approve the financials as presented, motion was seconded by Trustee Summers and the vote was unanimous approving the FY2026 Second Quarter Financial Report as presented.

**V
CONSIDERATION OF APPROVAL OF CANCELLATIONS OF WATER**

Mgr. Searle presented the following untreated water contracts for approval:

A. DAVIS COUNTY:

- 1) Compass Holdings Development, LLC23.82 a.f. Proj
Kaysville (11-036-0096)

- 2) Compass Holdings Development, LLC 1.08 a.f. Proj
Kaysville (15-098-0318)
- 3) Compass Holdings Development, LLC 2.1 a.f. Proj
Kaysville (15-098-0315)
- 4) James L Quist..... 1.15 a.f. Proj
Layton (10-005-0035)
- 5) Stephen C & Tamara E Schwab..... 0.8 a.f. Dist 1
Layton (09-139-0002)

B. WEBER COUNTY:

- 1) William & Shalin Bailey Trust 0.65 a.f. Dist 4
Huntsville (21-048-0013)
- 2) William & Shalin Bailey Trust 0.65 a.f. Dist 4
Huntsville (21-048-0013)
- 3) William & Shalin Bailey Trust 0.65 a.f. Dist 4
Huntsville (21-005-0047)
- 4) William & Shalin Bailey Trust 0.65 a.f. Dist 4
Huntsville (21-005-0047)
- 5) Hairston Trust 1.3 a.f. Other
West Haven (08-217-0014)

Mgr. Searle explained that Compass Holdings Development has water allocations originally put there for agricultural purposes and they cannot use the water, so have therefore requested to cancel their allocations.

Mgr. Searle stated Mr. Quist has meter data showing he could easily reduce his allocation and has requested to do so.

Mgr. Searle explained the Schwab property has water but no access to use the water and has therefore requested cancellation.

Mgr. Searle then explained the cancellations for William and Shalin Bailey. He said they are planning a four-lot subdivision and acquired water for each lot, but the Weber-Morgan Health Department refused their request for a shared well. Mr. Bailey has since acquired a will-serve letter from Eden Water Works for the homes and is now requesting cancellation of his District contracts.

Mgr. Searle then explained the cancellation in West Haven is a reduction of allotment due to historical meter data.

Mgr. Searle recommended approval of all cancellations.

Motion was made by Trustee Osguthorpe, seconded by J. Andersen and the motion passed unanimously approving the water contract cancellations 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) Compass Holdings Development, LLC.....23.82 a.f. Proj
- 2) Compass Holdings Development, LLC..... 1.08 a.f. Proj
- 3) Compass Holdings Development, LLC..... 2.1 a.f. Proj
- 4) James L Quist1.15 a.f. Proj
- 5) Stephen C & Tamara E Schwab0.8 a.f. Dist 1
- 6) William & Shalin Bailey Trust0.65 a.f. Dist 4
- 7) William & Shalin Bailey Trust0.65 a.f. Dist 4
- 8) William & Shalin Bailey Trust0.65 a.f. Dist 4
- 9) William & Shalin Bailey Trust0.65 a.f. Dist 4
- 10) Hairston Trust 1.3 a.f. Other

VI

CONSIDERATION OF APPROVAL OF CONTRACTS FOR UNTREATED WATER

Mgr. Searle presented the following treated water contracts for approval:

A. DAVIS COUNTY

- 1) Davis & Weber Counties Canal Co. 8.8 a.f. Other
West Point City (Neilsen Crossing Ph #1)
- 2) Davis & Weber Counties Canal Co. 8.2 a.f. Other
West Point City (Neilsen Crossing Ph #2)

Mgr. Searle explained this is part of a tri-lateral agreement, meaning D&W water shares were sold to the District in order to keep the water in west Weber County and be made available for use in the area. He said these contracts are for the development of Nielson Crossing Phases 1 and 2, which is a 72 lots development on 13.61 acres of land, which works out to about 0.24 a.f. per lot which meets the District’s efficiency standards.

Motion was made by Trustee Osguthorpe, seconded by Trustee J. Andersen and the motion passed unanimously approving the treated water contracts with Davis & Weber Counties Canal Company for West Point City 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 water contract with Davis & Weber Counties Canal Company for West Point City, on the terms and conditions contained in the form of agreement presented to and considered at this meeting.

- 1) Davis & Weber Counties Canal Co. 8.8 a.f. Other
- 2) Davis & Weber Counties Canal Co. 8.2 a.f. Other

VII

CONSIDERATION OF APPROVAL OF TRANSFERS OF WATER

Mgr. Searle presented transfer documents for consideration by the board:

A. DAVIS COUNTY:

- 1) Susan Adams to Susan Adams..... 0.25 a.f. Proj
Layton (09-081-0107 to 09-174-0038)

Mgr. Searle stated this transfer for consideration is for a Layton City resident. She is requesting a portion of her water be moved to another parcel she owns. Mgr. Searle stated this meets District policy then recommended approval and adoption of the following resolution.

RESOLUTION

WHEREAS, pursuant to a petition filed by Susan Adams, there has been allocated 4.0 acre-feet of project water to the following described lands in Davis County, Utah, to-wit:

09-081-0107, SUSAN ADAMS 4.0 AF proj

BEG AT A PT LOC N 0°06'40" W 2069.25 FT ALG THE SEC LINE & N 90°00'00" E 1318.82 FT FR THE W 1/4 COR OF SEC 13-T4N-R1W, SLM; POB BEING THE NW COR OF LOT 12, SADDLE BROOK SUB; RUN TH N 0°00'25" E 529.26 FT; TH RIGHT ALG THE ARC OF A 165.44 FT RAD CURVE A DIST OF 84.59 FT (CHORD BEARS S 54°06'07" E 83.67 FT); TH S 39°27'16" E 127.91 FT; TH S 0°00'25" W 381.72 FT TO THE NE COR OF SD LOT 12; TH N 89°53'35" W 149.08 FT TO THE POB. BASIS OF BEARING IS THE W LINE OF THE NW 1/4 OF SEC 13-T4N-R1W, SLM; AS N 0°06'40" W-MARKED BY DAVIS COUNTY BRASS CAP MONUMENTS. CONT. 1.59 ACRES

And the orders so allocating the said water have been recorded in the office of the County Recorder of Davis County, as indicated on the foregoing property descriptions.

WHEREAS, the owners of the said lands have now made application to the District for the transfer of 0.25 acre-feet of water to be allotted from the lands above described to the following described lands in Davis County, Utah:

09-174-0038, SUSAN ADAMS 0.25 AF proj

ALL OF LOT 12, SADDLE BROOK SUB. CONT. 0.78 ACRES ALSO, ALL OF LOT 13, SADDLE BROOK SUB. CONT. 0.35 ACRES TOTAL ACREAGE 1.13 ACRES

Applicant agrees to be bound by all of the terms and conditions of the original Petition and Order, which by reference shall be deemed incorporated into the Transfer Order entered hereon.

WHEREAS, after due consideration, it is the determination of the Board of Trustees that it is in the best interest of the District that such application for transfer be approved and granted and that 0.25 acre-feet of water above referred to be transferred as per above described lands.

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

1. That the application for transfer of 0.25 acre-feet of water from the lands first above described to lands last above described, be and the same is hereby approved and granted, and the 0.25 acre-feet of water is hereby so transferred.
2. That the Chair of the District is hereby authorized and empowered in the name of the District and on its behalf to execute a formal order granting such application for transfer and so transferring the said water.
3. That the Secretary of the District is directed to cause a fully executed copy of such order to which shall be appended a copy of the application for transfer upon which the order is made to be recorded in the office of the County Recorder of the county in which the lands to which the water is transferred are located.

Motion was made by Trustee Osguthorpe, seconded by Trustee J. Andersen and passed unanimously, approving the transfer of water outlined above and adopting the foregoing resolution.

**VIII
WATER SUPPLY REPORT**

Chair Anderson invited Mgr. Olsen to present. Mgr. Olsen presented the following reservoir content data:

<u>RESERVOIR</u>	<u>TOTAL CAPACITY</u>	<u>DISTRICT CAPACITY</u>	<u>ACCRUED TO DATE</u>	<u>% OF DIST CAPACITY</u>	<u>HISTORICAL RESERVOIR CONT.</u>	
					<u>AS OF 1/27/25</u>	<u>AS OF 1/22/2024</u>
CAUSEY	7,870	6,870	4,314	63%	4,361	3,534
E CANYON	51,200	20,110	14,402	72	36,860	42,760
ECHO	73,940	6,422	13,039	203	54,510	60,150
LOST CRK	22,510	20,010	10,650	53	13,060	15,150
PINEVIEW	110,150	66,228	43,487	66	79,560	82,060
SMITH-M	8,351	6,560	3,879	59	3,994	3,865
WANSHIP	62,120	60,000	33,700	56	37,430	47,120
WILLARD	<u>247,302</u>	<u>222,273</u>	<u>91,870</u>	<u>41</u>	<u>167,550</u>	<u>197,744</u>
TOTAL	583,443	408,473	215,341	53%	397,325	452,383

Percent of District upstream storage is 66%.

Mgr. Olsen presented slides showing the Ogden River and Weber River storage. He explained most reservoirs are sitting right at the five-year average with some being slightly above and some slightly below.

Mgr. Olsen continued by reviewing the snowpack sites and said the water supply outlook is not very encouraging as we are well below average for the calendar year. He said there is still time to recover as the snowpack should continue to climb throughout the rest of winter. He shared graphs of the Snow Water Equivalent and Soil Moisture. He said the overall precipitation has been great for the beginning of the water year, but the dry winter has plateaued this great start for now. Mgr. Olsen said soil moisture is great at 118% and said this really does affect our runoff efficiency. The drier the ground, the more runoff will just seep into the soil.

Mgr. Olsen then shared a chart of the Runoff Forecasts and stated this shows 51% of average for this year so far but that this number could improve moving forward.

Mgr. Olsen gave a quick update on the Great Salt Lake levels. He said the low elevation point this year was 4,191 feet at the end of last September, but the elevation has started to increase little by little. He stated we are down about 0.9 feet from where we were at this time last year.

Mgr. Olsen then reviewed the weather, precipitation, and temperature outlooks for the month to come and said the weather shows equal chances of being dry or wet and hot or cold.

Gen. Mgr. Paxman mentioned that because of the dismal looking water year, we will need to discuss a delayed start and possible drought restrictions for this year in the months to come. He stated any final decisions must be made by the end of March, so this will be a topic of discussion at the next few meetings.

After Mgr. Olsen had answered all questions from the board and discussion ceased, Chair Anderson thanked him for his informative report and said we will hope for better news next month.

IX CONSIDERATION OF APPROVAL OF CONTRACTOR SELECTION FOR NORTH WEBER WELL

AGM Nelson shared a map of the project location and explained our test well produced and we will move forward with the drilling project. He said the well design was completed by Horrocks Engineers and now we are looking to award the drilling project to a contractor. AGM Nelson said the well is a mile east of the current North Weber Well. He said we signed a 2-year lease with Double Ott Ranch for the property and the lease ends November 30, 2026. AGM Nelson said if the well is drilled successfully, we will enter negotiations for a property purchase.

AGM Nelson said the District issued the bid package on December 12 after a pre-bid meeting and received bids on January 21 from three drillers: Hydro Resources, Zim Industries, and Lang Drilling. He stated Lang Drilling was the qualified lowest bidder and came in under the

engineer’s estimate. AGM Nelson said Lang Drilling has been great for us in the past and look forward to working with this company.

AGM Nelson answered questions from the board stating we hope to see the well produce at least 700gpm if not more, and the depth will likely be around 900-1,100 feet with a 16-inch casing. He said this well will supply Bona Vista Water and Pleasant View.

AGM Nelson then recommended approval to award a contract to Lang Drilling to drill the North Weber 2 Well Project for \$1,345,810.00.

Motion was made by Trustee Robinson, seconded by Trustee Jenkins, and all were in favor, awarding the contract to Lang Drilling 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, to award Lang Drilling a contract in the amount of \$1,345,810.00 to drill the North Weber 2 Well Project, on the terms and conditions contained in the form of agreement presented to and considered at this meeting.

X

CONSIDERATION OF APPROVAL OF CONTRACTOR SELECTION FOR LAYTON CANAL UPSIZE PROJECT

AGM Nelson reminded the board of the pre-purchase of HDPE pipe a few meetings ago for this project. He stated that the pipe is now due to arrive and we can begin the project.

AGM Nelson shared the project highlights and timeline. He said the current downstream demands from 2700 South exceed the capacity of the existing 27 inch pipe, so this project will upgrade the section of 27 inch to 42 inch HDPE ensuring future deliveries can be achieved. He said the upgrade will be completed by no later than May 1 so it will be ready for this coming irrigation season.

AGM Nelson said of the eight bidders on the project, only four came back as qualified. He said the committee did have questions for STAPP and brought in their management team to meet and go over previous projects and the scope of this project. AGM Nelson said after that meeting, District staff feels confident that STAPP can do this project well. He then recommended approval of STAPP for the project.

Motion was made by Trustee Buttschardt, seconded by Trustee Osguthorpe, and all were in favor, approving the contract award to STAPP for the Layton Canal Upgrade Project in amount of \$1,868,411.50 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 awarding a contract to STAPP Construction for a total of \$1,868,411.50 for the Layton Canal Upgrade Project, on the terms and conditions contained in the form of agreement presented to and considered at this meeting.

XI

CONSIDERATION OF APPROVAL OF CONSULTANT SELECTION FOR THE REACH 2 DESIGN PROJECT

AGM Nelson stated this is a continuation of the Parallel Pipeline project and will replace existing 78 inch DA pipeline, installed in 1958, with 78 inch pipe and 48 inch overflow.

Gen. Mgr. Paxman said this project bypasses the most critical overflow structure that is very seismically susceptible, so this project is extremely important to complete.

AGM Nelson said the Reach 1 project has no way to overflow currently, which greatly impedes capability. He said in the future this project may also include a 36 inch pipeline for a low-flow or bypass. AGM Nelson said as part of the design, alternate alignments will be evaluated based on geotechnical study as well as utility exploration and right of way options.

AGM Nelson stated, after evaluating the four firms that submitted, Brown and Caldwell was selected for the design. He shared the consultant schedule and said about 18 months from now, there will be a construction contract for the project brought before the board for approval. AGM Nelson said the District entered fee negotiations and came to a total of \$2,160,877.00 for the design project.

Motion was made by Trustee Robinson, seconded by Trustee Froerer, and all were in favor, approving selection of Brown and Caldwell for the Reach 2 Design Project in the amount of \$2,160,877.00 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 the General Manager of said District be and they are hereby authorized and empowered to execute on behalf of said District a design contract to Brown and Caldwell in the amount of \$2,160,877.00 for the Reach 2 Design Project, on the terms and conditions contained in the form of agreement presented to and considered at this meeting.

XII

CONSIDERATION OF APPROVAL OF THE MILLARD COUNTY NATURAL GAS POWER CONTRACT & RESOLUTION WITH UAMPS

AGM Hess stated the District needs these projects to fulfill the power demand from the large treatment plant project in west Weber County among other future projects. He said the District is looking to diversify our power portfolio.

AGM Hess quickly reviewed the current power projects the District has been watching which includes the Combined Cycle Natural Gas Generation Plant in Power County, Colorado (approved 1.7 MW), the Natural Gas Generation Plant in Millard County, Utah (current project), the Fremont Solar and Storage Project (approved 1.68 MW), the Uintah Wind Facility (discontinued), the Cove Point No. 2 Geothermal (under study), and the Rodatherm Geothermal project (under study).

AGM Hess shared project details stating this natural gas facility provides unwavering 24-hour power supply, a cost-effective solution, uses future-ready technology, and diversifies power sources. He said this project is a 200 MW Generation Peaker Plant with 10-12 Reciprocating Internal Combustion Engines which can be started up in 2-5 minutes, are 40% more efficient than older models and utilizes less than a million gallons of water annually.

AGM Hess said the cost is approximately \$145/MWh which is a little higher than some of the other power projects. He said the reason for the higher price is because this is a peaker plant, meaning immediate power is available, say to fire up a well quickly. AGM Hess said this is still a great price compared to Rocky Mountain Power prices which are about \$260/MWh.

AGM Hess then shared a timeline of the project stating the Commercial Operation of the Plant (COP) will commence in 2029, so we want to jump in and secure power in this project before it is no longer available.

Much discussion continued regarding the pricing and changes in the power market in the recent and coming years. AGM Hess ultimately said getting this power right now is worth the price to diversify our power portfolio and ensure our demand is met.

AGM Hess shared the District's total power usage and generation chart showing our variable demands and spikes during drought years. The chart also shows the spike in demand due to the West Weber Water Treatment Plant project, and more in the future, the East Canyon Project, increase in capacity of the West Weber Treatment Plant, and possible Bear River Project.

AGM Hess then recommended approval of a resolution to acquire 1,500 KW in the Millard County Natural Gas Generation Plant.

Motion was made by Trustee Froerer, seconded by Trustee Summers, and all were in favor, approving the following resolution. A copy of the UAMPS resolution and Certificate of Participant is attached hereto.

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 resolution with UAMPS to acquire 1,500 KW in the Millard County Natural Gas Generation Plant, on the terms and conditions contained in the form of agreement presented to and considered at this meeting.

XIII

CONSIDERATION OF APPROVAL OF THE POWER COUNTY NATURAL GAS POWER CONTRACT & RESOLUTION WITH UAMPS

AGM Hess then shared the details on the Combined Cycle Facility in Power County. He reminded the board that the District has an entitlement share of 1,300 KW and stated we would like to increase to a 3,000 KW entitlement share.

AGM Hess then shared the timeline of the project stating if some of the uncertain items can be worked through, the COP would be 2031. He then shared the same power usage and demand graph and recommended approval to increase the entitlement share. AGM Hess stated the cost originally quoted was about \$75/MWh which seems pretty low, so may increase, however that is the current number.

Motion was made by Trustee Jenkins, seconded by Trustee Froerer, and all were in favor, approving the following resolution. A copy of the UAMPS resolution is attached hereto.

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 resolution with UAMPS to acquire a total of 3,000KW in the Power County Natural Gas Generation Plant, on the terms and conditions contained in the form of agreement presented to and considered at this meeting.

XIV

CONSIDERATION OF APPROVAL OF SNYDERVILLE BASIN MEMORANDUM OF AGREEMENTS

AGM Hess reported each year new Memorandum of Agreements are signed with Mountain Regional Water Special Service District, Park City Water Service District, and Summit Water Distribution Company. He reminded the board that this is part of the Snyderville Basin Master Agreement signed in 2013, and said these agreements allow each entity to supply their surplus water to those entities that need it. In this case, Mountain Regional and Park City supply their surplus water to Summit Water. He stated these agreements ensure that water is properly delivered to Summit Water and that Mountain Regional and Park City will be compensated for the water they supply. The agreements also discuss the maximum flow rates at which Summit Water can take this water from Mountain Regional and Park City.

AGM Hess reported Summit Water has a water deficit and needs to purchase additional water, and Mountain Regional and Park City have surplus water available for sale. He said as outlined in paragraph 2.4 of the Master Agreement, this process of surplus agreements was established in order to allow the District “to operate the Western Summit County Project in such manner as Weber Basin deems necessary and proper.” These surplus agreements effectively allow the available water in Western Summit County to be used where necessary and postpone the construction and payment of the large importation project.

AGM Hess shared a map of the interconnects, including the new Hwy 224 Park City to Summit Water Interconnect that is being finalized now and delivering water shortly.

AGM Hess reported Summit Water needs an additional 1,550 acre-feet of finished water in 2026 through 2030. He stated Park City and Mountain Regional will make up the deficit and supply this water. After discussion ceased, AGM Hess recommended approval of the Memorandum Agreements.

AGM Hess answered questions from the board and discussion continued.

Motion was made by Trustee Summers, seconded by Trustee Buttschardt, and passed unanimously, with Trustee Robinson recusing himself, approving the Memorandum of Agreements 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 the Memorandum of Agreements, on the terms and conditions contained in the form of agreements presented to and considered at this meeting.

XV

**CONSIDERATION OF APPROVAL OF POWER MOUNTAIN
WATER REUSE APPLICATION**

AGM Parry briefly explained Powder Mountain thought they would be ready to come before the board today. However, after reviewing their application, District staff had concerns and there are items that still need addressing. He said because of these needed adjustments, Power Mountain is not ready for today's meeting but will be bringing their reuse request before the board in the near future.

XVI

GENERAL MANAGER'S REPORT

Gen. Mgr. Paxman said the Utah Water Users Conference will be at the Dixie Convention Center in St. George over March 16-18. He said please give your final RSVPs to Mgr. Searle if you have not done so already.

Gen. Mgr. Paxman asked the Trustees to sign their conflict of interest forms and make changes if necessary.

Gen. Mgr. Paxman said the legislative season is already in full swing and very busy with a dozen new bills coming out daily. He mentioned a few property tax bills, bills addressing the Great Salt Lake, as well as a bill regarding the purchase of a large water right by the state. He said we are following many and get updated on status daily.

Gen. Mgr. Paxman answered questions from the board and discussion continued.

XVII

**CLOSED SESSION TO DISCUSS PURCHASE OF WATER,
POSSIBLE LITIGATION, AND PROPERTY PURCHASE**

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

**XVIII
RESULTS OF CLOSED SESSION**

Motion was made by Trustee Froerer, seconded by Trustee Jenkins and it was unanimous which adjourned closed session and returned to the public meeting and gave District staff direction to proceed with negotiations as discussed in closed session.

**XIX
ADJOURNMENT**

There being no further business for discussion, meeting adjourned at 12:10 p.m.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Scott Paxman".

Scott W. Paxman, General Manager/ CEO

The Board of Trustees of the Weber Basin Water Conservancy District, Utah, met in public session January 29, 2026, at 9:00 a.m., at District headquarters, Layton, Utah. Meeting was called to order by Chair 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 Gage Froerer
Trustee Scott K. Jenkins
Trustee Christopher F. Robinson
Trustee Bob J. Stevenson
Trustee Paul C. Summers

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

Calysta Bravo, Finance Manager
Suzy Eppens, Contracts Administrator
Greg Pierce, Mgr. of Strategic Initiatives
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 Water Supply & Power
Jon Parry, Assistant General Manager
Kendall Searle, Mgr. of Administration
Sam Sorensen, Mgr. of Construction and Maintenance
Kathy Wood, Mgr. of Human Resources

Ben Kirk, Bureau of Reclamation
Steve Rowley, Keddington & Christiansen
Julie Snowball, Future Trustee

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 Davis, 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. DAVIS COUNTY:

- 1) The Kellen Frey and Kari Frey Trust.....0.12 a.f. Dist 4
West Bountiful (06-433-0003)
- 2) H Lofts LLC.....0.29 a.f. Dist 4
Layton (09-035-0058)

B. SUMMIT COUNTY:

- 1) No Worries Development Group LLC0.65 a.f. Dist 4
Oakley (CD-310-A)

C. WEBER COUNTY:

- 1) Lakeview Ranch LLC0.65 a.f. Dist 4
Huntsville (21-008-0043)
- 2) The Natalie A Post Trust0.65 a.f. Dist. 4
Eden (22-182-0007)

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/CEO of the District caused due and proper notice of the holding of such hearing to be posted to the Utah Public Notice Website on January 14, 2026, 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/CEO of the District is authorized and directed to attest said order.

Section 4. The General Manager/CEO of the Board of Trustees in 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 Osguthorpe, seconded by Trustee J. Andersen and passed unanimously, approving petitions for water contracts in Davis, Summit, and Weber counties and adopting the foregoing resolution.

Approved and adopted January 29, 2026.


Mark D. Anderson, Chair

ATTEST:



Scott W. Paxman, General Manager

(SEAL)

**MINUTES OF AN ORIENTATION MEETING OF THE WEBER BASIN WATER
CONSERVANCY DISTRICT BOARD OF TRUSTEES HELD MONDAY,
JANUARY 26, 2026, 10:00 A.M., AT DISTRICT HEADQUARTERS**

Present:

Trustee Mark D. Anderson
Trustee Scott K. Jenkins
Trustee Christopher F. Robinson
Trustee Paul C. Summers
Trustee Bob Stevenson

Excused:

Chair Angie Osguthorpe
Trustee Jared Andersen
Trustee Kym O. Buttschardt
Trustee Gage Froerer

Scott W. Paxman, General Manager/CEO

Brad Nelson, Assistant General Manager
Jon Parry, Assistant General Manager
Darren Hess, Assistant General Manager
Kendall Searle, Administration Manager
Shane McFarland, Engineering Manager
Calysta Bravo, Finance Manager

Julie Snowball, Future Trustee
Tom Day, Future Trustee

**I
INTRODUCTION**

In the absence of Chair Osguthorpe, Trustee Summers welcomed all present, including future Trustees Julie Snowball and Tom Day, and invited Gen. Mgr. Paxman to begin the meeting.

**II
REPORT ON OGDEN VALLEY CITY MEETING**

Gen. Mgr. Paxman said soon after the new Mayor and City Counsel of Ogden Valley was elected, he reached out to their team and they asked to meet with the District. Gen. Mgr. Paxman and the AGMs met with them for several hours and had a great meeting.

AGM Hess then gave an overview of the meeting. He said they were great to meet with and very attentive and educated. AGM Hess said first the District's replacement water program was reviewed and discussed. Then the Ogden Valley Study done by Bowen Collins was discussed and AGM Hess said all the recommendations from that study were presented. He said ultimately a water entity would need to be created in the valley to manage infrastructure and project needs in the area, but how this gets built and funded is a question somewhat left up to the residents and City Counsel.

Gen. Mgr. Paxman said the Mayor and City Counsel appear to be moving toward responsible growth in the area and just wanted to get a better understanding of the water issues in the valley. Gen. Mgr. Paxman and AGM Hess answered questions from the board regarding water availability and the feasibility of future growth demand being met.

AGM Hess shared a map of the larger culinary water companies and irrigation companies in Ogden Valley, stating that our study showed 80+ water companies in Ogden Valley.

AGM Parry said the District helped Ogden Valley City with the water element of their general plan. He said they seem to be forward thinking and showed a willingness to take on conservation elements of sustainable development. AGM Parry said they discussed impacts that could result from how they structure their policy, such as development standards and efficiency standards. He said it was a great conversation to lay the groundwork to help them understand the ramifications to the water situation based on how they structure policy as well as leveraging the District as a resource to help them as they move forward.

Gen. Mgr. Paxman stated this is just information for the board, to demonstrate the District is in discussion with the newly formed city in the valley and there may be an ask from them at a future date, but as of right now it is strictly informational.

III UPDATE OF BOR TITLE TRANSFER

Trustee Summers invited Mgr. McFarland to present the update of BOR title transfers. Gen. Mgr. Paxman said the board passed a resolution to do title transfers on much of our distribution systems, pipeline, pump stations, and some wells. He said there are thousands of infrastructure items that could be transferred. Gen. Mgr. Paxman said the large infrastructure such as dams, hydropower stations, and aqueducts and canals will not be transferred. He said these transfers will likely happen this year, and the transfers will need to be approved by Congress and must be a recommendation from the Secretary of the Interior. Gen. Mgr. Paxman said they have all seen preliminary versions of this title transfer action and are favorable at this point. AGM Nelson stated that we just received a very strong letter of support from all our representatives in Congress and Senate here in Utah, so we have good progress moving forward.

Mgr. McFarland said this presentation is informational and an update on progress, however a few more recommendations will be brought before the board for approval during the process. He reiterated that the infrastructure to be transferred to the District includes wells, secondary pump stations, smaller secondary pipelines, and drains, and that the larger, higher liability infrastructure to remain owned by BOR includes reservoirs, aqueducts, tunnels, and canals. Mgr. McFarland said there is quite a bit of work going into getting all transfers sorted out as there really are thousands of items to address.

Mgr. McFarland stated the board previously entered into a memorandum of understanding with BOR which approved funding for BOR to spend toward the project. He said the District has been responsible for the NEPA portion of the project and this is now in the BOR's scope. He said the BOR is also responsible for the Lands Work which requires going through each easement and facility, doing research as to what needs to be titled transferred, around 1,400 parcels so very extensive. Mgr. McFarland said there is still research to be done here. He said public outreach has begun, the CERCLA/HAZMAT is still yet to be done and this is a high level review to ensure all standards are met before transferring lands. Mgr. McFarland said after these items are complete, there will need to be a Title Transfer Agreement, then quit claim deeds can be completed.

Mgr. McFarland shared the following schedule:

Task	Completion Date
Board Authorization to proceed	May 2023
Memorandum of Understanding signed	May 2025
Draft Title Transfer Agreement – in progress	March 2026
Deeds and Legal – in progress	March 2026
Solicitor review of final draft package – pending	May 2026
Draft sent to congress – pending	July 2026
90 Day congressional review – pending	August 2026
Executed agreement – pending	November 2026

Mgr. McFarland said the project is moving into the Draft Title Agreement, getting the deeds and legal in process. He said the District will bring forth recommendations around March and July, and the target date for transfer completion is November of 2026 which is an aggressive goal.

Mgr. McFarland said the benefit of these title transfers is more District control over the facilities we operate and maintain, meaning our lease agreements or license agreements can move to approval more quickly. He added as we go through projects needing authorization to cross easements or update facilities, the process becomes simplified and will take far less time. Gen. Mgr. Paxman said this will cut the red tape and streamline these processes, helping all involved.

There was much discussion.

**IV
UPDATE ON METER INSTALLATION AND ISSUES**

Gen. Mgr. Paxman said the metering effort has been a long haul and we are basically in our last year of new installations. Mgr. McFarland said meter installations started in 2010 and have continued since then. He said approximately 18,500 meters have been installed to date, covering the entire District service area. He shared a picture of an ideal installation situation and said majority have been relatively straightforward like this. Mgr. McFarland then said the problem comes when there are backyard installations which typically have conflicting structures and private line designations.

Mgr. McFarland explained that a private line is a main line that provides water to secondary service, but the District does not own the infrastructure. He said state law now requires these services to be metered, regardless of who owns the main line. These connections are not as easily accessed as the District owned lines because they are typically located in backyards, not in easements, and not built to District standards. In these situations, the District owns the meter, and the private entity continues to own the line. He said staff makes every attempt to contact the homeowner on every installation, but especially in backyard installs, with pre-assessment surveys, 1-week door hangers, and 24-48 hour door hangers.

Mgr. McFarland continued to explain the process of metering private lines, though not many have been completed. He said the installations that have been completed are on properties that owners have agreed to the installation knowing the private line status, or they have entered into a private line metering agreement, which are signed and recorded with the county. He said getting the agreement is ideal, but so difficult to complete.

Mgr. McFarland said we are pushing this year to complete metering to take full advantage of the state funding that was made available for metering through 2026, therefore these more difficult connections must be addressed. He said agreements can be completed with HOAs if there is a managing entity, however many of these homes are individually owned and not under an HOA.

Gen. Mgr. Paxman said it is the District's intent to either take over these private lines or relocate the connection in public rights of way. He said keeping private lines owned by property owners is not a feasible way forward. Gen. Mgr. Paxman said it isn't easy as there are all kinds of different scenarios that require different answers and solutions.

Mgr. McFarland explained that District policy allows for private line take over if the private line can be verified to meet current District standards, if the private line exists within a city or public right of way or easement and is currently metered, or if staff reviews, documents, and determines that it will be in the District's best interest to take over the line.

Gen. Mgr. Paxman said we wanted to present this information today just to ensure the board understood the efforts being made in getting these last more difficult installations complete. He said we are talking with the homeowners, meeting with them to find a way forward making it work for both parties. Gen. Mgr. Paxman said some trustees are hearing from these property owners, so we wanted to make sure the process the District is moving through is well understood.

**V
PROPERTY TAX INCREASE DISCUSSION**

Gen. Mgr. Paxman said there are several bills in legislature right now regarding property taxes whether they be limiting the allowable percentage of increase or reducing the taxable valuation on a home. He said there are several bills that, if passed, will affect our ad valorem tax revenue.

Mgr. Bravo said in 2023 there was a board discussion regarding the coming large repair and replacement costs and well as the new infrastructure needs for the District 4 and 5 blocks of water. She said there was about a half a billion dollars needed for District 4 and 5 development, but this number has increased due to the West Weber Treatment Plant Project. Mgr. Bravo then said our Capital Asset Plan completed in 2023 showed about \$285M of repair and replacement costs.

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Mgr. Bravo explained due to these coming needs, the water rate increases were set through 2028, which brings all rate payers to the correct OM&R rate. She said after 2028 water rates should then continue to increase with inflation and we should not have larger increases each year.

Mgr. Bravo said the impact fee was also added to the District 4 and 5 blocks of water, which goes towards paying for that new infrastructure as well.

Mgr. Bravo then reminded the board of the need to bring the tax rate back to the statutory rate every few years to maintain that revenue. She said the statutory rate is .0002 and currently our ad valorem rate is at .000191, which was just assessed on the 2025 tax statements. She said in order to increase to the statutory rate, we need to approve an increase this year with a public hearing.

Mgr. Bravo stated within the plan, the District is looking at \$150M in bond issuances over the next 10 years. She said the 2025 bond issuance was for \$25M new money which has been fully expended, and that we anticipate a 2027 issuance, likely in the spring.

Mgr. Bravo reminded the board of the WIFIA funding for \$285M. She explained the WIFIA, or Water Infrastructure Financing Innovation Act, was created by the Federal Government to get money into the hands of municipalities to get large water projects up and running. Mgr. Bravo explained this funding cannot be used on Federal assets, so only on the District owned assets, which will help on some of the large repair and replacement projects. She said the benefit to WIFIA is a 10-year deferral of payment, so we have five years to spend the money, then an additional five years from substantial completion to begin making payments. Mgr. Bravo explained there will be capitalized interest during that time if we are drawing funds down, however this draws debt service out 40 years instead of the 30 years used in bonding. She said another benefit is the flexibility of repayment, for example if interest rates are more favorable, the District could bond and use those funds to repay the WIFIA loan.

She said we have closed on loan 1 of the WIFIA for \$110M at a 4.9% interest rate, and we are currently working on closing loan 2 which will be for another \$175M. She stated we have not started pulling funding from loan 1 yet, we are still using reserves. The reason for this is because if interest rates drop, we can reset that interest rate, however once we pull funds we are locked in at that rate and begin to accrue interest. Mgr. Bravo said current interest rates are similar to the closing on loan 1 last year, so we do not anticipate them dropping, but we are watching closely.

Mgr. Bravo then returned to the ad valorem rate. She said the current taxable value in our taxing areas is \$127B, the revenue with the certified rate of .000191 is \$24.3M, and this would have been \$25.4M had we been able to collect the statutory rate of .0002, which would bring \$1.1M of additional revenue that we did not get because we did not go back to the statutory rate.

Mgr. Bravo explained the certified rate is set by the previous year's revenue plus any new growth, but we do not get appreciation in home values. She said the anticipated certified rate for FY2027 is about .000189, meaning if the District increases to the statutory rate, that would bring a 5.5% increase in the rate, and a 4.7% increase to revenues, not including new growth. Mgr. Bravo shared a graph showing this increase would range from an average of around \$3.00 per household in Weber County up to almost \$10.00 per household in Summit County.

Mgr. Bravo then reviewed SB 97 sponsored by Senator McCay, which limits the total amount of additional property tax revenue a taxing entity may obtain through truth-in-taxation. This would mean a taxing entity may not adopt a final budget in which the additional ad valorem tax revenue exceeds 5% of the previous year (excluding eligible new growth).

Mgr. Bravo also explained HB 236 sponsored by Representative Peterson, which requires a preliminary statement in a public meeting that the taxing entity is considering a tax increase. This bill also requires adopting a budget without the tax increase, as well as presenting an alternative budget that includes the additional revenue derived from the tax increase. She said this would require preparing two budgets which is more work administratively.

Mgr. Bravo stated public hearings are more difficult for the District because we represent five counties, which requires the hearing to be held on an evening no other county has a hearing. She

said if the District is going to pursue the statutory rate, we need to get a date on the calendar sooner rather than later. Mgr. Bravo said that increasing to the statutory rate of .0002 is staff's recommendation but that no action is required currently as this presentation is informational.

Discussion regarding ad valorem tax, property tax, and truth-in-taxation hearings continued.

**VI
FIDUCIARY COMMITTEE DISCUSSION**

Mgr. Bravo then briefly reviewed the Fiduciary and Audit Committee which operate within the board. She said this committee routinely reviews and audits policies and internal controls, ensures audit findings are addressed, reviews complaints of employee misconduct, and provides policy recommendations concerning the foregoing board. Mgr. Bravo stated additional duties are thoroughly reviewing monthly financials, being a backup signer of cash disbursements when the Chair is unavailable, may serve on selection committees for financial services, and may be asked to attend and present to rating agencies during bond issuances. She said this committee ultimately reports back to the board.

Mgr. Bravo identified the current members serving on the committee, Trustees Buttschardt, Summers, and Osguthorpe, with Trustee Buttschardt serving as Chair. She reminded the board that Trustees Buttschardt and Summers will be retiring from the board, and their positions will need to be reappointed. Mgr. Bravo shared a few considerations such as financial background being advantageous but not necessary, and additional meetings are required throughout the year. She said nominations and voting for the Chair and members will take place at the annual meeting.

**VII
ADJOURNMENT**

There being no further business for discussion, meeting adjourned at 11:30 a.m.

Respectfully submitted,



Scott W. Paxman, General Manager / CEO