

**Mt. Nebo Water Agency Meeting
October 20, 2014**

Board Members: Vice Chairman Gene Shawcroft, Central Utah Water; Richard Davis, Spanish Fork City; Randy Brailsford, Salem City; Larry Ellertson, Utah County (alternate); Danny Throckmorton, Strawberry Highline Canal Company; Tyler Coon, Goshen Valley (alternate).

Board Alternates: Jamison Thornton, Highline Canal; Soren Christensen, Salem City; Steve Leifson, Spanish Fork City.

Technical Committee: Chris Hansen CUWCD; Richard Nielson, Utah County.

Staff: S. Junior Baker, Shelley Hendrickson, Steve Clyde, Marcus Faust (via telephone).

Public present: Calvin Crandall, Jeremy Sorensen, Dave Tuckett, Gorricks Hall.

Vice Chairman Gene Shawcroft called the meeting to order at 7:43 a.m.

Adoption of Minutes

Randy Brailsford **moved** to **approve** the September 15, 2014 minutes with the noted changes. Richard Davis **seconded** and the motion **passed** with all in favor.

Finances

Richard Davis went over the tentative budget and explained what had already been paid relative to the Contract with Washington Counsel, what is still owed, and that the Cities that had already paid for Washington counsel to get the Agency created would need to be reimbursed.

TENTATIVE BUDGET

Expenses

<i>Clerk (paid through Spanish Fork City)</i>	<i>\$ 2,000.00</i>
<i>Laptop with software</i>	<i>\$ 1,500.00</i>
<i>Washington counsel</i>	<i>\$72,000.00</i>
<i>Letterhead, envelopes, postage, checks</i>	<i>\$ 550.00</i>
<i>Mail box</i>	<i>\$ 115.00</i>
<i>Meals and entertainment</i>	<i>\$ 1,200.00</i>
<i>Travel (meet delegation in D.C. – two nights – five people)</i>	<i>\$ 7,125.00</i>
<i>Total</i>	<i>\$ 84,490.00</i>

Revenues

<i>Member assessments</i>	<i>\$ 84,490.00</i>
<i>(If divided equally, \$12,070.00 each)</i>	

FY 2015 FINAL BUDGET

Expenses

<i>Clerk (paid through Spanish Fork City)</i>	<i>\$ 2,000.00</i>
<i>Laptop with software</i>	<i>1,500.00</i>
<i>Washington counsel</i>	<i>36,000.00</i>
<i>Letterhead, envelopes, postage, checks</i>	<i>650.00</i>
<i>Mail box</i>	<i>115.00</i>
<i>Meals and entertainment</i>	<i>1,200.00</i>
<i>Engineering/Professional Services (Mylar)</i>	<i>1,500.00</i>
<i>Reimbursement for Organization Expenses</i>	<i>54,000.00</i>
<i>Total</i>	<i>\$ 96,965.00</i>

Revenues

<i>Member assessments</i>	<i>\$ 96,965.00</i>
<i>(\$13,852.14 each)</i>	

Mr. Baker explained that in the last fiscal year that Spanish Fork City, Salem City and Payson City paid the Washington Counsel contract from July through November. This was Mr. Faust's services to create the Agency. Mr. Baker said that the three cities would be canceling the contract. Richard Davis moved to approve the tentative budget. Randy Brailsford seconded. Randy Brailsford withdrew his second and the motion failed.

Larry Ellertson asked if the original payback for the Washington Counsel was anticipated. Randy Brailsford said yes. Larry Ellertson expressed that he did not feel that the County should pay so much for the Washington Counsel. He feels that the Counsel retainer is for 'specific projects' and asked if it would be appropriate to have the entities wait until there are projects, to be worked on, and then obtain Counsel services.

Approval of Washington Counsel

Discussion was held regarding Marcus Faust's contract. Randy Brailsford expressed that he felt Mr. Faust had done an outstanding job for the Agency. Gene Shawcroft expressed that he felt Mr. Faust was invaluable. Larry Ellertson said that he felt they should retain Mr. Faust's services only when they are needed. Richard Davis, Danny Throckmorton and Randy Brailsford agreed with Larry Ellertson. Randy Brailsford **moved to retain Marcus Faust on an as needed basis**. Richard Davis **seconded** and the motion **passed** with Gene Shawcroft opposed.

Finances

Randy Brailsford explained that Mr. Faust's contract would need to be paid from July through November of 2014 and then the contract between Marcus G. Faust P.C. and Spanish Fork, Salem and Payson would be cancelled.

Discussion was held regarding the change in the tentative budget with the cancelling of the Washington Counsel contract. Steve Clyde recommended that the Agency keep some money in the budget for Washington Counsel contingency. Richard Davis **moved to approve** the tentative budget **subject to the three cities and the district being reimbursed for monies already paid to Mr. Faust**. Discussion was held regarding when the entities would pay the Agency. Junior Baker said that the Board had always discussed with the Highline Canal Company that they would pay in January due to their timeline of revenues. Discussion was held regarding the money being paid by each entity on whatever their fiscal year is. It was determined by the Board that payment be made the end of the first month of each members fiscal year with a payback to the three cities and the district of \$54,000. The new budget amount is \$42,965 plus \$54,000 payback = \$96,965 divided by seven for a total of \$13,852, which would be the share of each member this fiscal year. Randy Brailsford **seconded** and the motion **passed** with all in favor. Gene Shawcroft noted that a public hearing on the budget was held at the Agency's previous meeting.

Purpose of Agency

Randy Brailsford explained that some of the cities need to go back to their City Councils about projects and expressed the need to create a small sub-committee. He feels that the Agency should get the canal companies involved. This group will look at issues and then bring them to the Agency Board then the agency can decide if they will move forward with the suggestions.

Danny Throckmorton agreed and expressed that the Highline Canal Company has put out feelers to try to come up with money to enclose the canal. He said that if they are not careful that the water may leave the County.

Richard Davis expressed that his vision was that every member would protect the water that they have. He is aware that there are some things coming down from the federal government that may affect the farmers flood irrigation and the worry that the federal government will view flood irrigation as wasting water.

Gene Shawcroft asked the board if they wanted to take action. Randy Brailsford said yes and if this body does not meet for three months than take action today. It was determined by the Board that the committee would consist of two technical committee participants and two Agency alternates from each entity and two from the Board for a total of six. Randy Brailsford will put a recommendation together.

Status of filing the Interlocal Agreement

Junior Baker explained that the Agency was ready to file but said that a mylar is needed. The cost for the completion of the process, through Horrocks Engineering, will be \$1500 dollars. The county surveyor will need to sign off and then it will need to be sent to the Lieutenant Governor. Gene Shawcroft said that the county surveyor had signed off and if the Agency does not pay the \$1500 that Central Utah would pay it as part of their contribution. Junior Baker said that he did not see any problems with getting it recognized. This item will carry over to the next agenda.

Adoption of Budget Approval Rules

Steve Clyde explained the State law that governs the adoption of a budget and explained the process. Discussion was held regarding funding and an operating budget. Steve Clyde recommended following the special district approach, as that is closest to what the Agency is. Larry Ellertson **moved to follow the special district budget process**. Richard Davis **seconded** and the motion **passed** with all in favor.

Steve Clyde recommended adopting a resolution so as not to have to change the bylaws.

Junior Baker explained that the Agency had spent approximately \$1250 for the PO Box. Zion's Bank did not charge the Agency for the checks that were ordered and with the approved budget he will order a computer for Shelley. Spanish Fork City will bill the Agency on a quarterly basis for Shelley's time.

Adoption of Bylaws

Junior Baker explained the suggested changes, to the bylaws, from the Agency's last meeting and said that they are ready to be signed.

Approval of Contract with Strawberry Highline Canal Company

Danny Throckmorton said that the Highline Canal Company was ready to sign the contract. Randy Brailsford **moved to accept** the Highline Canal Contract. Tyler Coon **seconded** and the motion **passed** with all in favor.

Agency Seal and Logo Status Update

Randy Brailsford **moved to approve** logo choice #3. Larry Ellertson **seconded** and the motion **passed** with all in favor.

Adoption of Mission Statement

Danny Throckmorton **moved to approve** the mission statement. Larry Ellertson **seconded** and the motion **passed** with all in favor.

Discussion was held regarding an Agency meeting schedule. The board determined that the Agency will meet in November 2014 and March, May, June, August and November 2015. The Agency will officially approve the schedule in the November 17th meeting.

Technical Committee Report

The Technical Committee met with CRS on a ground water study with regard to SUMWA and has been compiling all of the existing documentation.

Public Comment

Calvin Crandall expressed that he felt that the canal companies should be invited and should come and be a part of the process and the agency should get more input from them. He asked why Springville was not included in the agency map. He said that he feels Springville should be involved. He asked what the

contract for the Highline Contract is and what it is for. Mr. Steve Clyde said that in short the Highline Canal Contract is just a seat at the table of this Agency.

Open Meeting Act

Junior Baker gave the Board training on the Open Meeting Act

Richard Davis **moved** to **adjourn**. Danny Throckmorton **seconded** and the motion **passed** with all in favor at 8:56 a.m.