

**Mt. Nebo Water Agency Meeting
March 27, 2015**

Board Members: Chairman Warren Peterson, Goshen Valley; Randy Brailsford, Salem City; Larry Ellertson, Utah County (alternate); Marty Larsen, Strawberry Highline Canal Company, Chris Hansen, CUWCD (alternate), Rick Moore, Payson City.

Board Alternates: Tyler Coon, Goshen Valley

Technical Committee: Chris Thompson, Spanish Fork City

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

Public present: Bruce Ward, Rebecca Andrus, Calvin Crandall, Brent Ventura, Jeff Davis.

Chairman Warren Peterson called the meeting to order at 7:42 a.m. He excused Richard Davis and Steve Leifson.

Chris Hansen was appointed by CUWCD as its alternate for this board. He was sworn in by Shelley Hendrickson.

Discussion was held regarding whether or not Marty Larsen had been appointed by the Utah County Commission as Utah County's High Line Canal Company board member. It was determined that he had not.

Public Comment

Calvin Crandall asked if it would be appropriate for members of the public to ask questions and make comments during the meeting as issues are discussed, even though that might be outside of the public comment period. Warren Peterson said that he would accept appropriate discussion and comments throughout the meeting.

Adoption of Minutes

Randy Brailsford **moved** to **approve** the January 15, 2014 minutes with the noted changes. Larry Ellertson **seconded** and the motion **passed** with all in favor.

Report from Outreach Committee

Randy Brailsford reported that the Committee met on January 21, 2015. He passed out copies of the minutes from the meeting. He explained the topics that the Committee discussed and asked the Board to review the minutes.

Warren Peterson explained that the Committee went through the statement of purpose as explained in the Interlocal Agreement and the Agency mission statement and determined that these documents state the Agency purpose really well so there was no reason to repeat them. He said the Committee focused on activities the Agency should undertake to accomplish the purposes stated in the Agency mission statement. It was the consensus of the Committee that the Agency should not sit idly by, but needed to engage water providers in the area to have a voice in planning and other Agency activities. He said that he had a discussion, at the Utah Water Users Association conference, with Richard Davis, Steve Leifson, and Rick Moore. The consensus in that discussion was that we need to reach out and find a way for the other water providers in the area to participate, in particular the Spanish Fork River water users group, Strawberry Water Users Association, and then other groups that may want to come forward.

Calvin Crandall expressed that he felt the Agency was headed in the right direction and that whatever the Agency could do to protect and preserve water and to involve the farmers would be great.

Randy Brailsford said that the way things are going now with water shortage, everyone needs to work together to protect and preserve water.

*Mayor Moore arrived at 7:56 a.m.

Warren Peterson explained that two action steps for the Agency were recommended by the Committee. First, that it was essential to establish this Agency as a regional planning group. He stated that there are not any agencies presently providing that function in Utah County. The water conservancy districts in their own areas do some regional planning, but a group that engages all stakeholders does not exist. Second, the Agency can be a regional clearing house. In southern Utah County, with the future growth that is anticipated here and the complexity of the water supply systems, it would be good to have somewhere that people can come and have it function as a central clearinghouse group for the area. That is a key part of what this Agency can do.

Rebecca Andrus described a discussion that was held during the Utah Water Users conference with regard to water during drought conditions and banking water in wet years. She stated that, with this Agency, we could work together as a group and try to make that happen.

Discussion was held regarding the letter that was drafted by the tech committee to send out to the community. It is as follows:

March 30, 2015

Re: Meeting to discuss proposed Mt. Nebo Water Agency Water Supply Study

Interested Party,

Mt. Nebo Water Agency (Mt. Nebo), a political subdivision of the State of Utah, was organized pursuant to the provisions of the Interlocal Cooperation Act, Utah Code in 2014 with the following mission:

Mt. Nebo Water Agency works to protect and preserve precious water resources for the benefit of present and future agricultural, residential, municipal, and industrial users, and to plan for water supplies needed to sustain population growth and economic expansion within the Agency boundaries.

Mt. Nebo's founding members consist of Utah County, Spanish Fork City, Payson City, Salem City, Central Utah Water Conservancy District, and Goshen Valley Local District. Strawberry High Line Canal Company is also represented through a contract with Mt. Nebo and under the interlocal agreement that created the Agency. The Mt. Nebo service area is shown in the attached map. There is potential for also including portions of Juab County as part of Mt. Nebo in the future.

Consistent with its mission, Mt. Nebo is proposing to move forward with a water supply study for its service area. The first phase of this study is the review and analysis of existing studies. Once that has been completed, the second phase of the study will determine future demands for potable, secondary, and agriculture water for the study area; identify and quantify water sources to meet the demands; and recommend the optimal approach for developing supplies necessary to meet the projected demands.

Mt. Nebo invites you to consider participating with us in this process. We will have a public meeting to provide further information about the agency and this proposed study, solicit public input and address concerns. Anyone interested in the future of water resources in the Mt. Nebo area is invited to attend.

When: April 14, 2015; 7:00 p.m.

Where: Payson City Center, Banquet Hall

439 W Utah Avenue

Payson, Utah

In accordance with the Americans with Disability Act, individuals needing special accommodations should notify Salem City at 801-423-2770 at least (3) days prior to the meeting.

Sincerely,

Warren Peterson, Chair

Warren Peterson asked if anyone had any input or changes with regard to the letter. Larry Ellertson suggested a change to the letter include the word "Agency" in references to Mt. Nebo such that it would distinguish our organization from a geological feature.

Strawberry Highline Assessment Report

Warren Peterson explained that Strawberry High Line Canal Company (SHLCC) sent a letter to the Agency on November 7, 2014 concerning the annual assessment. In response to the letter, Warren Peterson, Richard Davis and Gene Shawcroft met with the SHLCC on the March 21, 2015 at the Salem City office.

SHLCC agreed to pay the assessment but inquired as to the paying for legal services expenses incurred prior to the establishment of the Agency. Marty Larsen explained that the Strawberry Highline had not been invited to participate in the Agency prior to its establishment and should therefore not be held to pay attorney's fees.

Randy Brailsford said that he could see their point, and, if the Agency decides that SHLCC does not have to pay the assessment, then it would be distributed among the rest of the board members.

Larry Ellertson expressed that the assessment for legal fees was a surprise to him when it came out.

Warren Peterson acknowledged that it was surprise to him as well that the assessment included reimbursement of legal fees incurred by the three member cities prior to creation of the Agency, but from the view point of the Goshen Valley Local District they recognize that there was going to be some cost and effort going in to putting the Agency together and the the District will participate it that cost. That it did not mean others had to do likewise, he said.

Chris Thompson said that Richard Davis asked him to let the board know that he would like them to table this discussion as he would like to be present. Larry Ellertson **moved** to **continue** the Strawberry Highline assessment report. Randy Brailsford **seconded** and the motion **passed** with all in favor.

Directors and Alternates

Larry Ellertson said that the Utah County Commission had discussed a replacement for Gary Anderson, but that he did not know if they had acted on it so he will follow up with the County for a replacement for Gary Anderson and an alternate for the High Line Canal Company.

Warren Peterson stated that the replacement for Don Christiansen as alternate representative for Central Utah Water Conservancy District is Chris Hansen.

Technical Committee report

Chris Hansen said that the Technical Committee had not had any discussion on the High Line Canal enclosure since the last Agency board meeting. He explained that the Committee was instructed by the Board to compile a list of potential affected water users and then circulate the list to the Board, which was done, along with the draft letter to interested parties, by email. He further explained that the status of the RFP for the regional water study was the same as before. It is ready to go out.

Mr. Hansen also reported that the Utah Geological Survey has approached the Agency to participate in a study on the Goshen Valley groundwater and asked if the Board wanted to participate in the study. UGS is going to cover almost half of the cost. The Utah Division of Water Rights is going to pick up another half of that so there is a little bit of money left to pay. It is a two year study.

Rick Moore said that he thought that SUVMWA had already completed a study on ground water.

Chris Hansen said that SUVMWA performed a study on Utah County ground water. This study would just be Goshen Valley. The SUVMWA study did not look at Goshen Valley.

Tyler Coon said that the SUVMWA study did look at Goshen Valley and identified a lot of deficiencies on the data. This study is now focusing on what they deem as an area that has not been studied well enough. The estimated cost is about \$100,000. UGS is going to pick up half of it. Division of Water Rights is responsible for paying the other half and they are hoping to come up with other people to pay half of their half. The Goshen Valley Local District has committed to paying some.

Rick Moore asked what amount the half of the half would be. Tyler Coon said it would be around \$25,000. Warren Peterson asked what the difference was between the SUVMWA ground water study and Goshen Valley. Did the SUVMWA study look just at demand or demand and resource as well?

Rebecca Andrus explained the Goshen Valley model was based on old data and that the issue was that the model had not been updated.

Tyler Coon said that he misspoke about the cost of the study. It is \$100,000 per year for a total cost of \$200,000.

Warren Peterson said the question raised is whether or not the Agency wants to participate in the study. Two members of the Agency are planning to participate in funding the study but, since it does not affect the three city members directly, Gene Shawcroft and Mr. Peterson both said they are reluctant to propose that the Agency participate in funding the study.

Junior Baker said that it could be done as a project and those members that want to participate could through the Agency instead of individually.

Chris Hansen said that Central Utah Water Conservancy District is committed to contribute funding for the study. He said that in his opinion anyone who wishes to participate does not have to provide a lot of money but that everybody should "have some skin in the game" and that as we talk about being a regional clearing house for Utah County this is a study for Goshen Valley but it does affect the water supply.

Randy Brailsford asked if this Board could apply for funding from CUWCD. It was determined that the Agency could always ask.

Warren Peterson said that what he was hearing was that the Agency should approach Central Utah Water Conservancy District for funding.

Discussion was held regarding a broad based tax and whether it includes this type of activity.

Randy Brailsford made a **motion** for the Agency to explore with Central Utah Water Conservancy District about providing funding to the Agency so the Agency can participate in the pending UGS and DWR study of ground water in the Goshen Valley. Rick Moore **seconded** and the motion **passed** with all in favor.

Rick Moore **moved** to approve Warren Peterson and Randy Brailsford to talk to CUWCD about the funding. Chris Hansen **seconded** and the motion passed with all in favor. Randy Brailsford said that he would like to include technical committee member, Chris Thompson, to participate as well.

Regional Water Study

Warren Peterson said that the Technical Committee had proposed a list of potential water users in the study area and asked for the Board's input on the proposed list. He said that the Board had talked about Juab County participating in the Agency but that he had not heard from Juab County representatives and is therefore reluctant to extend the water study to include Juab County. He said Juab County could be added later if they wish to participate.

Larry Ellertson said that some of the water that ends up in Utah County starts in Juab County specifically Current Creek Irrigation Company and asked whether the study include water sources. Tyler Coon said "yes." It would look at Mona Reservoir and its tributaries.

Discussion was held regarding Juab County.

Warren Peterson expressed that he felt the Agency does need to look at Current Creek; however, he does not want to expand the study down there unless Juab County entities contract with the Agency. He wouldn't want the Agency to undertake study of that additional area without Juab County's participation.

Larry Ellertson asked how strongly the Agency is asking for participation as the letter states "we invite you to consider participating".

Marty Larsen said that Juab County might have a lot of information that the Agency is unaware of right now.

Warren expressed that he didn't want to exclude them but does not want to plan a future supply and demand study in Juab County without their participation

Marty Larsen said that Juab County had talked with Highline a fair amount, and he feels that their interest is really high. He feels that the Agency is unaware of some of their ideas and that it is very important to reach out to them.

Randy Brailsford asked if they had received a letter relative to the enclosure of the High Line Canal, and Marty said "yes."

Larry Ellertson said that as he looks at the content and purpose of the letter, that it would be appropriate to send the letter to Juab County and East Juab County Water Conservancy District inviting them to participate recognizing that "their water source feeds us" and that should be the extent to which the Agency

should go, but not expanding the study unless Juab County representatives show an interest in participating.

Steve Clyde said that, if the Agency was going to include Juab County, the Agency would need to have them participate financially because then they will become a stakeholder and take some ownership. If they just say they are happy to have you spend your money, then it will be a tough sell to CUWCD's board because CUWCD would be asking it's board to fund an expanded study.

Discussion was held regarding the letter about the Agency's water study, stating that the study would focus within the boundaries of the Agency, and if other parties want to be part of it they need to take ownership and participate financially. SUVMWA needs to be added to the potential water users list.

Larry Ellertson expressed his assumption that the Technical Committee had looked at the impact in the Agency area and anything north in Utah County, and whether anyone to the north needed to be included.

Discussion was held regarding whether there was anyone to add or remove from the potential water user's list to whom invitations for the April 14 meeting should be sent.

Warren Peterson said the question before the Agency is: "Shall we proceed with the water study?" He said the Technical Committee was tasked with putting together a list of potential contacts of who may or may not want to participate, which would be a precursor to moving ahead with a regional water study as outlined in the RFP. The project was to be done in two phases. One was to evaluate studies that have already been done and then come back to the Board with a recommendation on where the study would need to fill in gaps in the existing knowledge base. Second, the Technical Committee would recommend to the Board how the costs should be allocated among the board members recognizing that some members, particularly Spanish Fork, have previously conducted studies of value. The Agency Board could then address the appropriate allocation of cost for Phase 2 of the regional study. The Board could then decide with an up or down vote whether the Technical Committee should proceed with issuing a request for proposals. He emphasized that there would not be a request for authorization of funding until all of these other steps are completed and Board authorization given.

Tyler Coon said that the Board also needed to act on sending out the letter and when the meeting will be held.

Larry Ellertson asked for clarification on the timing and asked if the letter and meeting needed to be done prior to moving forward with the RFP. Chris Hansen said the discussion from the previous meeting was to solicit participation in the study before deciding whether to issue the RFP.

Discussion was held regarding when to send out the letter, who would send the letter, when and where to hold the meeting. It was determined that Shelley would send out the letter and the meeting would be held on April 14, 2015 as just a public information meeting with a tentative location being the Payson City Center Cultural Hall, 437 West Utah Avenue at 7:00 p.m.

Fiscal Year 2016 Budget Discussion

Junior Baker said that he would start from last year's budget as a basis and move forward in preparing a tentative budget for fiscal year 2016. He asked for direction with regard to projects. He said that if the Agency is to have any projects we need to budget for them. He also asked whether the Board wished to budget anything in anticipation of paying fees to Mr. Faust. Warren Peterson asked Junior to consult with Marcus Faust and prepare an estimate and present it as part of the tentative budget.

Discussion was held regarding the budget and what needs to be included

Junior Baker asked the Board that if they have an agenda item come up to please submit the item at least one week prior to the meeting.

Discussion was held regarding changing the date of the next meeting. It was determined that the next meeting would be held on May 18, 2015 at 7:30 a.m. Gene Shawcroft **moved** to hold the next meeting on May 18, 2015. Rick Moore **seconded** and the motion **passed** with all in favor.

Other Business

There was none

Rich Moore **moved** to **adjourn**. Randy Brailsford **seconded** at 9:12 a.m.