

MT NEBO WATER AGENCY
BOARD MEETING
Salem City Offices, 30 West 100 South, Salem UT 84653
Monday, May 8, 2023

CONDUCTING

Richard Nielson, Chairman

BOARD MEMBERS

Gene Shawcroft, Central Utah Water Conservancy Dis.
Marty Larson, Genola City
Wes Quinton, Goshen Valley Local District
ABSENT-Brett Christensen, Payson City
ABSENT-Seth Sorensen, Salem City
David Hathaway, Santaquin City
Kevin Oyler, Spanish Fork City
Boyd Warren, Strawberry Highline Canal Co
Richard Nielson, Utah County

ALTERNATE BOARD MEMBERS

ABSENT-Neil Brown – Genola City
ABSENT-Paul Munns – Goshen Valley Local District
David Tuckett, Payson City (7:40 a.m.)
ABSENT-Kelly Peterson, Salem City
ABSENT-Lynn Mecham, Santaquin City
Chris Thompson, Spanish Fork City
ABSENT-Glen Tanner, Utah County

TECHNICAL COMMITTEE

ABSENT-Chris Steele, Genola City
ABSENT-Melanie McVicker, Goshen Valley Local District
Travis Jockumsen, Payson City
Bruce Ward, Salem City
Norm Beagley, Santaquin City
Chris Thompson, Spanish Fork City
Richard Nielson, Utah County

STAFF

Kim E. Holindrake, Payson City Recorder

OTHERS

Steven Clyde, Clyde Snow (online)
Steve Jones, Hansen, Allen & Luce (online)
John Waters, Spanish Fork City
Sterling Brown, Strawberry Water Users Association
Dave Pitcher, Central Utah Water Conservancy District
Rachel Musil, Central Utah Water Conservancy District
Brandon Rogers, Central Utah Water Conservancy District
Roger Pearson, Central Utah Water Conservancy District
Kent Jorgensen, Goshen Valley Local District

1. Call to Order

Chairman Richard Nielson called this meeting of the Mt Nebo Water Agency Board to order at 7:30 a.m. The meeting was properly noticed.

2. Public Comment Period

No public comments

3. Approval of Minutes – February 13, 2023, Meeting

MOTION: Dave Tuckett – To approve the minutes of the February 13, 2023, meeting. Motion seconded by David Hathaway. Those voting yes: Gene Shawcroft, Marty Larson, Wes Quinton, Dave Tuckett, David Hathaway, Kevin Oyler, Boyd Warren, Richard Nielson. The motion carried.

4. Technical Committee Report and/or Action

a. Update on Groundwater Management Plan

Dave Pitcher reported Chris Hansen is no longer with CUWCD and he has been filling in until a chair is appointed. The Technical Committee will meet today, and someone will be appointed as the chair. He forwarded a couple invoices to Dave Tuckett for payment. The Groundwater Database Project report has been finalized by Hansen, Allen & Luce. He asked if everyone had been given a copy of that report.

Steve Jones noted at least two drafts were sent out, but he isn't sure if the final was distributed. He will follow up on it.

Dave Pitcher stated the last report he received is dated December 2022. He believes it is a common sentiment that this agency needs to continue database monitoring. There is nothing accounted for in the budget if the decision is made to do that such as Hansen, Allen & Luce. The choice is to have a member pick it up or hire someone. It may need to be in the budget first but brings it up for consideration.

Dave Tuckett stated there is nothing currently in the budget, but suggested getting a quote from Hansen, Allen & Luce.

Dave Pitcher stated he looked at the previous scope of work. The one task for getting the data, putting the data in the database, and then summarizing it cost about \$8,000. He isn't sure if that was for one or two years.

Steve Jones stated originally it was for one year but lasted two years.

Dave Tuckett asked the board to adopt the tentative budget today. He can work on getting a quote before June and draft it into the final budget. A public hearing will be held in June when the final budget needs to be adopted.

Dave Pitcher stated the Technical Committee will discuss these options and make a recommendation. He is confident the database needs to continue.

b. Update on WaterSMART Banking Grant Project

Dave Pitcher stated there was a discussion after the last board meeting and not a lot of meetings since that time. He suggested scheduling a Technical Committee meeting to cover this and the groundwater database. Chris Hansen was the contact person for the grant. He will follow up with Justin Record with the Bureau of Reclamation to change the contact person to who the Board wants that to be.

c. Other

No other reports.

5. Finance Report

Dave Tuckett reviewed the finance memo noting that since the last meeting two invoices were paid to Westwater Research (\$8,701.04) and Hansen, Allen & Luce (\$1,435.70). Revenues included interest of \$13.26. Account balances include reserve account - \$5,000, administrative account - \$30,511.90, Capital Projects Project 4 account - \$6.24, and Project 5 \$19,218.96 for a total of \$54,737.10.

6. Resolution - Tentative Budget for Fiscal Year 2023-2024

Dave Tuckett stated the Board needs to adopt the tentative budget by resolution and set a public hearing for June 12. The final budget has to be approved before the end of June. The administrative budget proposes \$2,800, with a little over \$30,000 available in the administrative portion. Project budgets include the groundwater management, which is closed out with \$6.24 left. The Board needs to discuss whether to do the ongoing management of the groundwater, which can be discussed at the next meeting. Member assessments will need to be made to keep it ongoing. The water banking project received a grant for \$44,000 as well as member assessments, which have been collected. There is an in-kind portion that the Board can work through. The total revenues come to \$90,287. One invoice has been paid to Westwater Research for \$13,000 leaving a cash balance of \$19,218.96 plus the grant funds.

Richard Nielson asked that the spreadsheet for the members be reviewed for assessments on the groundwater database.

MOTION: Gene Shawcroft – To adopt resolution 05-08-2023 and set the public hearing for June 12, 2023. Motion seconded by Marty Larson. Those voting yes: Gene Shawcroft, Marty Larson, Wes Quinton, Dave Tuckett, David Hathaway, Kevin Oyler, Boyd Warren, Richard Nielson. The motion carried.

Sterling Brown questioned how members pay and how projects are funded.

Richard Nielson explained initially assessments were made proportionally to members for the administrative budget with enough being assessed at the time that no additional assessments have been required. As projects come forward, every member has the option to participate. Then a percentage is given and assessed to each member. Central Utah Water Conservancy District and Goshen Valley Local District have been very generous in helping with the costs.

Dave Tuckett noted the administrative budget built up with the initial members, and there was some consulting out in Washington. The administrative budget has a healthy balance. When a new member comes in, the Board will need to assess a buy-in. Depending on the project, some members have

stepped up big time and helped out all the members. Who participates determines the assessed percentage.

7. Legislative Updates/Changes

a. 2023 Legislative Session

Steve Clyde reported on the 2023 Legislative Session. It was a busy session with many bills having three and four substitutes. Many bills focused on getting water to the Great Salt Lake and many others that were redundant. New legislation may come later in the year to try to consolidate the overlaps.

- HB 491 – This bill made provisions to appoint a Great Salt Lake Commissioner to coordinate state agencies in addressing the issues of the lake. It's a powerful role and he's not sure how it will play out. To some extent, it takes authority away from state lands and water resources, which may or may not play well. It puts a lot of money behind this project to keep it moving.
- HB 33 – This is a minor modification to existing legislation in 73-1-8. This statute indicates that owners of water facilities, primarily irrigation facilities, have a duty of care to maintain their ditches and facilities so water is safely contained and not flooding people out, etc. This duty will change over time as land uses change.
- HB 150 – Part of the appropriation doctrine includes domestic water preferences. In times of shortage, domestic preference was to be #1, then livestock, and then other uses fall behind. It worked in a society with small farms and maintaining livelihoods. It doesn't work well today with large municipal areas and urban expansion. It redefines the statute because the existing law doesn't indicate where, how, or what triggers the emergency or determination for the transfer of water. This bill's effort clarifies it is not a drought relief bill. It is to deal with emergencies such as an earthquake or catastrophic failure to water sources or infrastructure primarily with the urban setting. It allows an interruption to someone's use up to one year and allocates money going forward. It sets up a revolving loan fund where the state can pay to the injured party to carry them through until damages are settled. The party responsible pays the damages or pays back the state.
- HB 307 – This bill creates the Utah waterways. It's a communication tool gathering the information generated and coordinating the message. He feels it could be done better by hiring media consultants who know how to do it. Setting up another layer of state government and one more individual body with fairly broad powers doesn't make much sense. It's a board of 13 people, which by definition is dysfunctional. The intent is to coordinate the message with a common voice, which in that sense is well done.
- HB 349 – This is the water reuse amendment bill focused on water conservation but may trigger a lot of water reuse issues such as using sewage effluent. This bill puts the Great Salt Lake ahead of those reuse projects so the Great Salt Lake is not impaired. This is hard to do because it really becomes double dipping in water rights. Utah has a need to reuse, but Utah doesn't do much of that because of a relatively short growing season. Sewer effluent is available year-round, but Utah has no way to store treated effluent and make it available for use in the summer. It hasn't been proven to be that economically viable in Utah, which may change over time. There are exceptions to this such as water held by the Federal Government or a municipality such as Salt Lake want to recapture sewerage effluent to go to the Great Salt Lake. We will see how it plays out in real life.
- There were several bills dealing with landscaping requirements and consumptive use in municipalities. Many cities have an unrealistic standard for developers to dedicate water. Some as high as 0.9 acre feet when an average home only uses 0.45 acre feet per year. This legislation

was to help trim that down and force a realistic analysis. Generally, it's a good idea to try and get some uniformity. Domestic and irrigation components need to be separated.

- HB 491 – This bill creates the Great Salt Lake Commissioner, which will work with developing strategic plans for the Great Salt Lake, water right resources, Forestry, Fire, and State lands, administer the Great Salt Lake watershed enhancement program, and work on the water shed and integrated assessment. It gives this commissioner a lot of authority and to require compliance.
- SB 34 – This bill is a long, long-standing issue to use property taxes to help fund water infrastructure and construction. The argument is people don't understand the cost of their drinking water. Most retail water providers and municipalities state they operate under an enterprise fund, which is rate run and not debt run. Long term repair and replacement must be funded by property taxes. The Central Utah Project has \$4 billion in infrastructure in the dirt to provide drinking water for only current people and out into the future. Rebuilding an aqueduct four or five times isn't feasible or cost effective. The only way to realistically fund a project like this is with taxes and general obligation bonds. He serves on a working group that hopes to work on this issue, look at what other states are doing, and make a report to the Legislature in 2024. At this point, the sense is to separate big wholesale water providers and retail systems. Industry drives this discussion.
- SB 277 – This bill was the sleeping giant. A lot of funding has been thrown into agriculture optimization. The real goal of this bill was to make it possible for farmers to cement line or pipe a canal that leaked and market the water saved in the process. It sounds like a good idea because it gives the farmer the economic incentive to conserve water, but the problem is it overlooks that that saved water is return flows to the system. It does economic harm to the person below. The saved water needs to equate to the portion of water historically depleted.

It's great to put money towards these things, but many programs overlap with others without a lot of direction and coordination. He hopes the commissioner and others can sit down and clean up the redundancy to determine what money is necessary. He expects more activity in the summer.

8. Update on Plan Formulation Study

Dave Pitcher stated the plan formulation study was to look long term and estimate under several different scenarios what could be the vision of the future. It concentrated on water supply that would be utilized by communities. It assumed the pressures of growth would continue to increase populations that would take over a lot of areas that would be previously irrigated. It concentrated on ground water and surface water sources that would be available to meet the municipal and industrial needs of the communities. To preserve the ground water, there is still room to use additional ground water to meet those needs; but eventually it would need a surface water treatment plant to meet culinary needs. Central Utah Water Conservancy District (CUWCD) purchased property in Salem with some properties rezoned for public facilities. Work is being done to purchase privately owned properties and relocate those residents to have a continuous area for a treatment plant projected out to 2030-2032. He reviewed PFP annual water supply that meets needs and uses. In 2030, a large amount of water still goes to agriculture. Municipal and industrial water goes to secondary systems with a need in 2030 for a surface water treatment plant. In 2065, agricultural use decreases but still occurring with a large amount of water going to treated and secondary systems with the assumption that groundwater will be used on a sustainable basis or not more than 50% of recharge. The expense of water ties to the needed facilities. The work lately asks how the ULS System and treatment plant fit in a regional system with canals and integrate with the use of those facilities. As a regional supply, there are two large conveyance systems from Spanish Fork river area south with north already having been constructed. Efforts and hydraulic

modeling have been concentrated on planning the ULS pipelines to Santaquin. CUWCD is concentrating on completing the Salem Reach 1 with a 60-inch completed by June, followed by substantial surface restoration and paving, and substantially completed by fall. The Santaquin reach is about 80% designed and includes turnouts for each of the cities. Construction is to begin this fall with 2.5 years of construction. In the fall of 2026, the reconstruction of the High Line Canal is anticipated to commence if all agreements and design is accomplished.

He introduced Roger Pearson who has worked for CUWCD for about 14 years with 10 years managing systems in Wasatch County and Heber Valley. He will pick up things Chris Hansen was doing as well as helping with plan formulation.

9. Other Business

a. Information/Discussion Items for Future Meetings

Boyd Warren asked about the status of adding Strawberry Water Users to the Agency.

Dave Tuckett stated he and Steve Clyde are working on this and will bring it back to the Board.

Steve Clyde stated he and Dave Tuckett will work on it to determine how best to integrate them into the process and agency. All the documents have been signed by the current entities on the Board. Authorization will come before the Board with opportunities to comment.

b. Other

Marty Larson questioned the possibility of having SUMWA as part of this group.

Dave Tuckett noted there was an effort early on years ago to bring in SUMWA, but SUMWA was involved in a lawsuit. That lawsuit was terminated, and the property sold. He can look at it.

Steve Clyde stated it makes sense to integrate both SUMWA and Strawberry, but it would slow down the process for Strawberry. It makes sense to bring these entities together as a single unit, but it would take a dissolution of the SUMWA organization. It may also create a larger and dysfunctional board. A committee level approach may work better. He clarified this Agency can pool and share water resources. SUMWA was created because cities can't sell water rights. This is all working toward sharing resources instead of competing. This organization was put together rather hastily but has worked well. It's time to revisit and determine what to do moving forward as well as including Strawberry and any other entities that are interested.

Sterling Brown stated he appreciates the Boards continued interest in giving Strawberry a spot on the Board. Strawberry Water Users Association is no longer dysfunctional. Two thoughts, most in the room are familiar with Strawberry aggressively and actively working to find a way to historically convert the water supply from solely agricultural use to an M&I use. In working through the thought process of getting water where it needs to be, he asked if this Board has addressed not just the supply and demand of water in south Utah Valley, but what can we learn from those on the Great Salt Lake shore. What can we learn as they have grown and developed over the decades as far as supply, demand, and reuse including sewer and political issues? Is there an interest in bringing a team from North Salt Lake County and South Davis County to have a discussion with this Board?

Kevin Oyler stated it's always good not to reinvent the wheel. It would be great to get input.

Norm Beagley noted there has been a lot of discussion on the groundwater management plan that needs to move forward. We've done a lot of research and know a lot of things in that vein from North Utah County to Enoch and the issues with ground subsidence to mining of the aquifer. This needs to be a focus sooner rather than later. This is another reason not to reinvent the wheel.

10. Next Meeting – June 12, 2023

11. Adjourn

MOTION: Marty Larson – To adjourn. Motion seconded by Dave Tuckett. Those voting yes: Those voting yes: Gene Shawcroft, Marty Larson, Wes Quinton, Dave Tuckett, David Hathaway, Kevin Oyler, Boyd Warren, Richard Nielson. The motion carried.

This meeting was adjourned at 8:37 a.m.