

MT NEBO WATER AGENCY
BOARD MEETING
Salem City Offices, 30 West 100 South, Salem UT 84653
Monday, November 15, 2021

CONDUCTING

Marty Larson, Chairman

BOARD MEMBERS

Gene Shawcroft, Central Utah Water Conservancy District
Marty Larson, Genola City
Warren Peterson, Goshen Valley Local District (via phone)
ABSENT - Brett Christensen, Payson City
ABSENT - Howard Chuntz, Salem City
David Hathaway, Santaquin City
Brandon Gordon, Spanish Fork City
Boyd Warren, Strawberry Highline Canal Co
Richard Nielson, Utah County

ALTERNATE BOARD MEMBERS

Chris Hansen, Central Utah Water Conservancy District
ABSENT - Paul Munns – Goshen Valley Local District
David Tuckett, Payson City
ABSENT - Seth Sorenson, Salem City
ABSENT - Lynn Mecham, Santaquin City
Chris Thompson, Spanish Fork City
Glen Tanner, Utah County

TECHNICAL COMMITTEE

Chris Hansen, Central Utah Water Conservancy District
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

Sterling Brown, Strawberry Water Users Association
Dave Pitcher, Central Utah Water Conservancy District
Richard Tullis, Central Utah Water Conservancy District
Mark DeHart, Highline Canal Company
Emily Lewis, Clyde Snow
Ed Vidmar, Spanish Fork River Commission
Erin McAnally, Hansen Allen & Luce
Steve Jones, Hansen Allen & Luce

1. Call to Order

Chairman Marty Larson called this meeting of the Mt Nebo Water Agency Board to order at 7:32 a.m. The meeting was properly noticed.

2. Public Comment Period

No public comments.

3. Approval of Minutes – August 16, 2021 Meeting

MOTION: Warren Peterson – To approve the minutes of August 16, 2021 as amended. Motion seconded by Dave Tuckett. Those voting yes: Gene Shawcroft, Marty Larson, Warren Peterson, Dave Tuckett, David Hathaway, Brandon Gordon, Boyd Warren, Richard Nielson. The motion carried.

4. Finance Report

Dave Tuckett reviewed the finance memo noting since the last meeting one invoice was paid and revenues included interest. Account balances include reserve account - \$5,000, administrative account - \$30,875.51, and Capital Projects, Project 4 account - \$20,599.13 for a total of \$56,474.64.

5. Technical Committee Report and/or Action

a. Groundwater Management Plan; Status Update

Chris Hansen sent out a proposed breakdown on what the costs could look like for the Water Banking Project. Participants are still being finalized. He is waiting on some comments and will keep Board apprized on the progress. Before and after the last meeting, a report was sent out on the Groundwater Database Project with Hansen Allen & Luce. An update was received last Thursday, which was sent to the Technical Review Committee and the Board. The backend and accounting for the Water Banking Project is in place so to it can move forward.

b. WaterSMART Grant Project, Status Update

Warren Peterson questioned if there are activities that need to take place between now and the next meeting and is there a need to bring in a consultant to prepare the contract and do paperwork. The same consultant that prepared the application is available. He questioned if there needs to be any type of authorization for the Chair to sign the contract before the February 14, 2022 meeting.

Chris Hansen stated just their process has been completed with setting up people, which took two months. It's a difficult system and hard to get technical support. He doesn't even know what the contract looks like, but he can reach out to see if there are any suggestions or template contract. When the grants come out, someone from the Bureau is assigned to each project. A recent email, stated they are running behind and will get back. As soon as there is a draft, he will work on it and get to the Board. The Board could give approval subject to final review.

MOTION: Warren Peterson – To authorize the Chair to sign the agreement when ready.

Motion seconded by Gene Shawcroft. Those voting yes: Gene Shawcroft, Marty Larson, Warren

Peterson, Dave Tuckett, David Hathaway, Brandon Gordon, Boyd Warren, Richard Nielson. The motion carried.

c. Other

No other items discussed.

6. State Water Banking Pilot Program Summary

Emily Lewis reported she also serves as the Utah Water Banking Program Manager, noted the Water Banking Management Team is also operating under a watersmart water marketing grant. There is a lot of activity that needs to happen to get the water bank contract prepared and before the Board of Water Resources. The Utah Water Banking Act is Title 73, Chapter 31 with a purpose of promoting the development of market tools favorable to local water users, which is a leasing program. The Utah Water Banking Program is a three-year program to promote the Act with three separate pilot programs across the State including Cache Valley, Snyderville Basin, and Price River area. The goal is to test the concepts of the Act through pilot projects and ultimately ending with a statewide water marketing strategies report to provide templates, materials, and guidance for water users. The project process includes discussions with each of the pilot areas, Board of Water Resources, and Division of Water Resources, and Division of Water Rights. The project began July 1, 2020. The scoping process on two of the three banks is currently being completed with an application for one bank scheduled for submittal on December 7, 2021.

The Snyderville Basin chose to use a statutory bank instead of a water bank with the purpose of proving more water in East Canyon Creek. The goal is to facilitate instream flows for environmental purposes during peak periods of time. This bank is different because it creates an entity to bring together interested lessors and lessees.

The Cache Valley pilot was organized to facilitate greater water access between agricultural uses with Wellsville Conservation District and Hiram Irrigation Company. They determined not to use the waterbanking act but to create a lease agreement between the two entities. The Federal Government was involved because the Hiram Irrigation Company is a federal project.

The Price River project is furthest along with a lease contract between the Carbon Canal Company, the Nature Conservancy, Trout Unlimited, and the Division of Wildlife Resources. There has been a year of negotiations on the contract, the service area was defined, and a six-member committee was organized. The Carbon Canal Company was designated as the manager of the bank who will designate an employee to manage the bank. Reporting requirements due at the end of the year include an accounting of the amount of water running through the bank and those leasing. Banks are responsible to verify water can be moved from point a to point b in coordination with the state engineer change application approval. The Price River bank operating costs includes collecting 10% (until 2023) of the annual lease price for each lease to be held in an operating account. The parties will front funding and be reimbursed with the 10%. This project created a lease process designed to garner interest, give out information, get interest back, determine a price, clarify price with lessors, and execute a lease. The leasing entities provide a proposed delivery point, execute the lease, and

adjust the amount of water members receive under their shares. The depositor is notified if their deposited shares were not leased.

This Agency needs to determine a process that works for all parties including a timeframe and water pricing. If this Agency chooses to do a contract as the banking structure, six key points are completed with the Division of Water Resources.

1. Date application received.
2. Application review.
3. Deem application complete.
4. Public notice requirement where the public can find information about the applicant's public meeting within 30 days of deeming the application complete.
5. Public meeting.
6. Approval/denial.

The applicant is in charge of the public process and a special meeting may be required. Professional services would be a benefit to this Agency to manage the water banking program. The applicant for a water bank must be a public entity and a non-federal public entity. Others do not have to be a public entity. They have created a five-step water bank application process, which will be reviewed and approved by the Board of Water Resources. The overall process takes a lot of time and commitment from all the parties and is an investment in time and resources.

Chris Hanen noted the cost of the grant is \$88,000 with half grant funding and half from participating entities.

7. Update on Groundwater Database

Chris Hansen reported \$32,000 has been expended on the \$42,000 of budget. The project is wrapping up, and a draft summary was sent out.

Steve Jones gave an overview of the Groundwater Database Project.

Results of Groundwater Model Update through 2020

The model shows the groundwater reservoir level in southern Utah Valley and depicts where depressions are happening. The differences between 2018 to 2020 shows red spots to show high water usage.

Progress Update on Groundwater Database

The model uses data back to the 1940's with actual levels, averages (global view), most recent data (calibration), and precipitation. The two trends in every graph shows the groundwater levels and precipitation continuing to go down from the 1940s. He reviewed graphs from the Mapleton Carnesecca Well, Payson Well #5, Salem Well #1, Santaquin East Side Well, Spanish Fork Memorial Well, and Springville 400 S Well #1, which includes a lot of compressed data. An immediate groundwater recharge program would be a very good assumption and would help both water level use and precipitation.

Chris Hansen clarified that the actual data shows peaks and valleys. The wells draw down and then the groundwater recovers.

Steve Jones noted it's important to monitor several wells. Some areas recharge faster than others. These graphs depict years and years in a small graph with lots of variables. It's complex underground with things impeding the water and pushing water to other places.

Groundwater Management Plans

Steve Jones reviewed other areas that are doing groundwater management plans in order to understand what they are doing and to see if there is a tool used to manage the groundwater. Tools such as an Excel sheet or Google doc can track usage, groundwater levels, etc.

Cedar Valley, Utah:

- Priority Regulation. Water rights will be regulated according to priority, regardless of a water right's nature of use.
- Depletion Calculations. Annual depletion from irrigation calculated using a crop survey prepared by the distribution system commissioner.
- Voluntary Arrangements. Water users may agree to participate in a voluntary arrangement to manage withdrawals on a system other than by priority date.
- Adaptive Management. If it is determined by the State Engineer that safe yield has been reached, there will be no more future reductions in depletion.

Las Vegas, Nevada:

- Impact Fees. \$13 per year per well user.
- Rebate Programs.
 - Community well owners receive a 1-inch meter and \$150 rebate.
 - Coupons for smart irrigation controllers, leak detectors, and smart car washes.
 - \$3 rebate per square foot of water smart landscaping.
- Strict Well Regulations.
 - Domestic well usage = 1,800 gallons per day.
 - Community well usage = 1,000 gallons per day, per home.
 - City water is managed on a regional scale.

Orange County, California:

- Recharge. The use of percolation basins, inflatable rubber dams, and valves.
- Monitoring. Monitor and protect water quality and quantity. Measure all wells every six months.
- Water Reclamation. Recycle and purify water.
- Modeling. Use of groundwater model, updated regularly.
- Policy and Legislation. The aquifer is a shared resource of water rather than an allocation of individual water rights.
- Adaptive Management. Ensure groundwater withdrawals are balanced with recharge over the course of several years.
- Calculations. Calculate the basin storage annually and set target production to manage pumping.

USGS Groundwater Model Updates

Steve Jones noted that Hansen, Allen & Luce is working with USGS to update their groundwater model through 2020 and can provide USGS with the data gathered to update their model.

Conclusions and Recommendations

- Model results corroborate with the measured water levels at the wells.
 - Results indicate that groundwater levels have been declining in southern Utah County since 1949.
 - The groundwater management program and model should be updated every 2-5 years.
- Continue to update ground water database on a monthly basis by setting up automatic email reminders for database participants to input their data.
- Continue monitoring groundwater withdrawals and levels closely, along with estimates of recharge (% of normal).
- A cooperative partnership is formed among all water users at government and community level to manage groundwater resources.
- Create a groundwater management plan for southern Utah County.
 - High level policy for shared groundwater management (Orange County).
 - Adaptive management for flexibility in drought versus wet years (Orange County).
 - Priority-based regulation on water rights (Cedar Valley).
 - Community incentives for zero-scaping (Las Vegas).
 - Impact fees for well users (Las Vegas).

Discussion:

Chris Hansen noted as a Board, the decision moving forward was a groundwater management plan. Through discussions, the idea of having a better understanding of the groundwater use is what spawned this project in order to create data to evaluate this plan moving forward. The ideas and summaries of other organizations will help move the plan forward and ties it together.

Norm Beagley stated the data shows a groundwater management plan is needed sooner than later and needs to be approved by State of Utah.

Sterling Brown noted legislation was passed in 2010 on what would trigger a groundwater management plan. He questioned if the discussion here is a result of that legislation or because the data is trending downward so we act upon ourselves.

Steve Jones stated the discussion among the Board was be proactive rather than being forced. The data shows, it's only trending down.

Warren Peterson pointed out that Central Valley, California, kept their heads in the sand where the subsurface water level subsided by 20 to 40 feet in some areas. The North Kern Groundwater Management District in the Bakersfield area is a mixed municipal and agricultural area with a long history of working in groundwater management. They could be quite helpful in suggesting management plans. Also, for the past several years, he has been offering the block of water the church entities have that can be used as a buffer tool at no cost. This organization has a better opportunity of doing constructive groundwater management than the state engineer.

Marty Larson stated model and real time readings. Any calibration or adjustment.

Steve Jones clarified the hope is to continue to collect data for better understanding and make tweaks to the model to reflect what is actually happening. Hopefully the model can be used for predictions and understand potential results.

8. Report on Transfer of water between canal companies, water availability, and drought conditions

Sterling Brown reported Strawberry Water Users Association (SWUA) has approximately 3,500 shareholders, irrigates approximately 45,000 acres of farm land, and distributes approximately 61,000 acre-feet of water plus some bank water and water leases. Over the last 20 years, the available bank water is trending up at about the same trajectory as the amount of Central Utah Water Conservancy District (CUWCD) leased water. This means there are approximately 300 shareholder that temporarily lease surface water from CUWCD. This will come to an end as cities draw on their water from CUWCD. This trend is going up at about the same rate as the bank water supply. The temporary CUWCD agricultural water source, as it plummets in the coming years, what will happen to the bank water source that is currently trending up. He doesn't have an answer but it would be good to discuss. As the discussion shifts from subsurface to surface, there are other dynamics.

His task today is to explain the administrative process of moving Strawberry Valley Project Water temporarily and permanently within the project. Water is distributed to two irrigation districts (Springville District and Mapleton District), Highline Canal Company, and five river companies for a total of eight entities.

1. When SWUA water is moved temporarily within one of these entities, it is done administratively within that entity. Strawberry Water Users Association is not involved.
2. When SWUA water is permanently moved within one of these entities, a water deed transfer is required with signatures from both shareholders, SWUA, and the Bureau of Reclamation, which takes a couple months to gather all signatures. Year to date about 300 permanent water deed transfers have been processed.
3. Transferring water from entity to entity is allowed by internal policy for one year and again each year thereafter. This last February, in an effort to create more certainty for the shareholders, SWUA developed a policy to allow a temporary transfer from entity to entity for up to 10 years, which there has been about a dozen since February.
4. To permanently move water from entity to entity is not allowed according to the Bureau of Reclamation. SWUA is in the early stages of discussion to do this. SWUA can be a source of education and facilitator to do this.

Ed Vidmar stated this last year started off quite dry with projected river and natural flows at 40 to 50 cfs but ended up at 60 and 70 cfs. The river has done remarkably well. The system hadn't been shut down for 29 years due to flash flooding except for spring runoffs when irrigating. Two years ago, the system was shut down because of flash floods. Last year, the system wasn't shut down because there wasn't any rain. This year, the system has been shut down six times because of seven flooding events. Last year approximately 38,000 yards of sediment was removed from the ponds. SWUA is currently cleaning the sediment ponds, and there will be much more. The SWUA bank did very well this year. Water users were educated in June and July on water supply projections. The SWUA bank

went from 36,098 acre feet to 31,343 acre feet. There have been nice rains in October and a good snow pack is needed.

9. Report on South Utah County/Juab County Plan Formulation Effort

Dave Pitcher reported phase 2 of long-term planning is completed, and a report will be sent to the Technical Committee for discussion. In previous meetings, the conclusions of phase 2 looked at a regional treated water system. Phase 3 has been authorized to continue to go down to another level of planning and stakeholder coordination, which will look more closely at aquifer storage and recharge. Phase 3 will fit perfectly with the work this Agency has been doing, but they will look at where and the potential of how much aquifer storage and recovery will make a difference. The plan is to meet with individual cities to address water supply gaps and infrastructure.

10. Report on Utah Lake Progress

a. Legislation

Warren Peterson stated Representative Brammer brought in legislation that was voted down in committee but has been worked on by the Utah Water Task Force. The Utah Water Task Force broke it into ten subcommittees on water rights, water quality, wild life, recreation, and other aspects of the Lake Authority. Those subcommittees submitted reports and Representative Brammer is using those reports on a redraft of the bill. It is expected to be issued this week to a legislative committee as a discussion item. Representative Brammer will receive comments and then bring it up in a legislative session. The bill will look very different from the last session. Representative Brammer wants to move forward with Lake Authority that would have no control over water rights or water quality, but would facilitate the different interests in the lake. The Lake Authority would only have land use authority within its boundary. A provision in the bill includes a mailing list for meeting and proposal notices as well as a mandate for technical committees and a toilet tax that may affect Utah County residents.

b. Utah Lake Restoration Group

Warren Peterson stated this legislation was approved in 2018 and is often referred to as the island project. It's moving forward with developing plans and working with the Division of Water Quality on core samples of the lake to see the history of the water quality and what can be done to adjust the water quality. The first focus works on rehabilitation of lake shore areas and wild life restoration. Dredging has drawn a lot of attention on how it would change the shape of the lake, how it would affect water rights, and where would the materials be put. The purpose of dredging is to change the biology of the lake to restore the lake bed, plants, and slow down/modify the wave action. The dredging material could be put into islands for wildlife, recreation, and possibly for sale. If islands can be made and sold, it provides a funding mechanism. The Utah Lake Restoration Group could come and report to this Board periodically.

11. Resolution - Set 2022 Meeting Schedule

a. February 14, May 9, June 13, August 8, November 14

MOTION: Brandon Gordon – To approve the resolution adopting the 2022 meeting schedule.

Motion seconded by Gene Shawcroft. Those voting yes: Gene Shawcroft, Marty Larson, Warren Peterson, Dave Tuckett, David Hathaway, Brandon Gordon, Boyd Warren, Richard Nielson. The motion carried.

12. Other Business

a. Information/Discussion Items for Future Meetings

- Utah Lake Restoration Group Report
- Water Smart Grant Report
- Imported Water Supply Report – Current and Projected
- Legislative update
- Water/Snow Report
- Swearing in of new members

b. Other

No other business discussed.

13. Next Meeting – February 14, 2022

14. Adjourn

MOTION: Martin Larson – To adjourn. Motion seconded by Dave Tuckett. Those voting yes: Gene Shawcroft, Marty Larson, Warren Peterson, Brett Christensen, Howard Chuntz, David Hathaway, Brandon Gordon, Boyd Warren, Richard Nielson. The motion carried.

This meeting adjourned at 9:25 a.m.