



Our Water. Our Future. Our Choice.

The purposes of the District include planning for and facilitating the long-term conservation, development, protection, distribution, management, and stabilization of water rights and water supplies for domestic, irrigation, power, manufacturing, municipal, recreational and other beneficial uses, including the natural stream environment, in a cost-effective way to meet the needs of the residents and growing population of Cache County.

www.cachewaterdistrict.com

CACHE WATER DISTRICT BOARD OF TRUSTEES MEETING MINUTES

December 6, 2021

The Cache Water District Board of Trustees convened for a regular meeting on Dec. 6, 2021, at 5:30 p.m. in the Cache County Historic Courthouse Council Chambers, 199 North Main Street, Logan, Utah.

MEMBERS OF THE BOARD IN ATTENDANCE:

Don Baldwin – Agricultural Representative
Scott Clark - Logan #2 Council District
Jared Clawson – At-Large Position
Jonathan Hardman – South Council District
Kirt Lindley – At-Large Position
Herm Olsen – Logan #3 Council District
Max Pierce – North Council District
Bret Randall – Northeast Council District
Brett Roper – At Large Position
Jeannie Simmonds – Logan #1 Council District

MEMBERS OF THE BOARD ABSENT:

Shaun Dustin – Southeast Council District

OTHERS IN ATTENDANCE:

Nathan Daug (Manager), Ann Neville, Mike Wilson (CRS Engineers), Wayne Wurtsbaugh (Bridgerland Audubon), Chad Brown (Franson Civil Engineers), Chris Slater (JUB Engineers), Debbie Zilles

CALL TO ORDER

The meeting was called to order by Chairman Hardman at 5:30 p.m.
Consideration for minutes from November 1, 2021, and agenda for December 6, 2021.

ACTION: Motion by Mr. Olsen to approve the agenda and the minutes as submitted. Seconded by Mr. Clawson. The motion was approved unanimously.

PUBLIC COMMENT

Ann Neville advised that there will be an upcoming online event “*Bear River is Life: A Discussion on Watershed Programs for Farmers*” held Jan. 10, 2022, at Noon. The event access is <https://tinyurl.com/ddfaacn> or by emailing janice@sagelandcollaborative.org. This forum will discuss issues the Lower Bear River watershed faces, opportunities to improve collaboration among water users, and ways to cross-reference programs and information. The event will be hosted by the Lower Bear River Conservation Action Plan Implementation Team, sponsored by the Nature Conservancy.

FINANCIAL REPORT

-Attachment 1-

Ms. Simmonds reviewed the monthly financial statement. There may be some changes in terms of the income of watershed grants (making sure allocations are correctly coded under the appropriate project). Almost every category is under budget, except for cloud seeding which will not require payment again until next year.

2022 BUDGET

-Attachment 2-

There are no changes from last month’s discussion. Mr. Daug confirmed for Mr. Roper that office rent from the County is \$5,400 annually. The rent also includes free use of the facility for meetings and events.

ACTION: Motion by Ms. Simmonds to approve the 2022 Annual Budget as presented and discussed. Seconded by Mr. Olsen. The motion was approved unanimously (10-0).

Aye: Baldwin, Clark, Clawson, Hardman, Lindley, Olsen, Pierce, Randall, Roper, Simmonds

Nay:

Absent: Dustin

Ms. Simmonds noted that the budget will be filed on the State Auditor’s website within 30 days.

CALENDAR EVENTS

- Dec. 8 – Water Task Force @ 1:30 p.m.
- Dec. 11 – Ag Water Optimization (Nate will send out link and agenda).
- Dec. 20 – APO Meetings (Water Purchasing & Irrigation Efficiency).
- Jan. 10 – Bear River Discussion on Watershed Program for Farmers (online).

- Feb. 15 – 17 – New Soil Health Program – St. George.
- Feb. 28 – Mar. 4 – Rural Water Conference – St. George (registration is open).
- Mar. 16 – Northern Utah Water Users Conference – Cache County Events Center.
(Send Nate ideas for specific topics)

MANAGER'S UPDATE

Update on PL-566 Projects

- Logan River Watershed – Working on final costs for the two (2) proposed alternatives. There are environmental and social benefits for both alternatives. There is another meeting next week. The next step in the process, once an alternative is chosen, is an Environmental Analysis (EA) which is likely 12 months out. Public comments received from the initial scoping phase have been included in the alternatives and there will be additional public comments during the EA portion.
<https://www.nrcs.usda.gov/wps/portal/nrcs/detail/ut/programs/planning/wpfp>
- Wellsville-Mendon Watershed – Currently working on final costs and ranking projects. Some of the discussed alternatives exceeded the \$25 million grant limit.
<https://www.nrcs.usda.gov/wps/portal/nrcs/detail/ut/programs/planning/wpfp>

Cloud Seeding

Have signed the 2021-2022 contract. Hoping for snow this week.

Special Districts Training Report

Mr. Daug and Mr. Clark recently completed the training. Mr. Clark said it was a good presentation and discussion. There are a few items that need to be addressed but he felt overall the District is doing well with all applicable requirements. Mr. Daug noted a few items such as all member's phone numbers and email addresses need to be included on the website; virtual meetings have to be determined by the Chairman and based on a health emergency, and closed sessions need to be recorded. He would like to see a few board members attend each year. Chairman Hardman said it would be good for Ms. Zilles to attend as well.

APO REPORTS

No APO meetings were held in November.

BEAR RIVER DEVELOPMENT DISCUSSION

Mr. Pearce opened the discussion and encouraged sharing ideas as to where storage water will be used and distributed and the best ways to put it to the most beneficial use. The idea of possibly storing water at White's Valley Dam and piping it back seems illogical.

Mr. Roper drafted a proposal regarding the allocation of water through the Bear River Development Act. He will email it out again for members to review and there will be more discussion next month.

Ms. Simmonds said there is a lot of unmet potential on the west side of the Valley.

Mr. Clawson is a proponent of using Hyrum Dam. There could also be extra water tied into the Crockett Diversion, possibly extra spurs. He would like to keep the water local.

Chairman Hardman expressed concern that if the water goes to the west to be stored, bringing it back to the Valley will be quite expensive, he agreed with the need to consider local options. Mr. Pearce agreed that if the water is taken past the existing system, new systems will need to be created and it is key to keep current distribution systems efficient. The valley's 60,000 Ac-ft should be considered logically.

Ms. Simmonds said there have been many years devoted to creating this idea. Mr. Daugs said the Water District was formed to consider better options, even if it is late into the process.

Mr. Randall suggested reaching out to legislators with local concerns.

Mr. Clark asked if there was an option to step away, Ms. Simmonds said a possible response to that might be a change in the allocation for the Valley.

Mr. Randall said the Valley should keep its percentage of water rather than have it go to White's Valley and then have to pay for it to come back. Mr. Daugs agreed that there are better alternatives.

Mr. Pearce noted that distribution costs were not taken into financial consideration in the plan.

Mr. Baldwin fears that if the water leaves the Valley it will not get back. He agreed with the need to try and keep the water local and to figure out how/what to provide for infrastructure to ensure the most efficient distribution. The District unequivocally needs to back the idea that water allocated to the County stays in the county.

Mr. Pearce said it needs to be considered from a local perspective.

Ms. Simmonds asked if an alternative plan needs to be developed and presented to state legislators. Mr. Pearce said that it is important to begin these discussions now.

Ms. Simmonds asked if there is the capacity to store additional water in the valley. Mr. Lindley said if Hyrum Dam was raised 90', the storage capacity would increase from 18,000 Ac-ft to 68,000 Ac-ft.

Chairman Hardman instructed members to review the position paper and draft resolution from Mr. Roper, which will be added to the January 4 meeting agenda for more discussion.

Mr. Daugs said in the next few years there may be more funding available to study other options.

OTHER

Ms. Simmonds advised that Logan City Council & Planning Commission had a joint meeting last month featuring a presentation on River Corridor Protection Ordinance by Zac Covington with BRAG. Discussion items included critical areas, wetland, floodplain, and riparian standards. She suggested that this might be a good presentation for the Board to have.

WATER BANKING:

Mr. Clawson provided an update on the water banking contract. Hyrum Irrigation has received positive feedback and there is another meeting tomorrow with Wellsville-Mendon Irrigation. The South Cache Water Users have a meeting in January. Moving forward there is no anticipation of any pushback.

WATERSMART GRANT:

Mr. Daugs reviewed the WaterSmart grant application for the Lower Logan River Trapper Park River Restoration Project (emailed to members this morning). This is a collaborative project by several entities to restore ~11,000' of the Logan River with improvements including replacing a diversion structure, piping the existing canal, removing old cars, concrete rubble, and tires from the river, improving ecological conditions on lands in a recently created river corridor conservation easement, improving in-channel habitats and stabilizing channel banks. Crack willows will be replaced by native vegetation. The work will be done by Logan City and a private developer from the Willow Lakes Subdivision.

Ms. Simmonds asked why the District would participate in a grant that helps a developer. Chairman Hardman said that is not the only benefit, there is a greater value to the area, which will help with water conservation and environmental improvements. Mr. Daugs said this also meets the needs of the Blue River Trail.

The Logan River Task Force was supportive of this proposal when it was presented at their meeting last week. The CWD was asked to be the sponsor because they are an impartial party and will not be paying any money. The goals of helping with water conservation and environmental improvements meet the objectives of the CWD. Logan City has purchased 43 acres along the river as a conservation easement.

Mr. Roper is concerned that the water-saving calculation sheet is not included. Mr. Daugs said the calculations come from the leaking canal in that section.

Mr. Daugs answered for Ms. Simmonds that he has been working on the grant since Thursday (which is why there has not been more time to review it). The application is for ~\$2.8 million. The developer will pay \$650,000; iFit owns the piece on the south side of the river (west side of 1000 West); Logan City will pay \$50,000 and the canal company will

pay \$44,000. The developer and the public will both benefit. Most WaterSmart grants are 50/50 cost-share, this one is 75/25 and focuses more on stream restoration.

Mr. Daugs said the application has to be submitted this week for consideration. Ms. Simmonds is concerned about the timeline and just receiving this information with little to no time to review it.

Mr. Roper asked why only 75% of one side will be improved. Mr. Daugs said both sides of the river will be improved everywhere there is landowner participation. Mr. Roper said that is not mapped out and questioned why funds would be spent that way. Mr. Randall pointed out that the CWD will not be spending any money. Ms. Simmonds said even though CWD is only a sponsor, the time spent on facilitating it is not insignificant. Mr. Randall agreed, however, noted that this is one of the purposes for the District – to be an intermediary between municipalities. The developer will benefit, but they are also paying \$650,000.

Mr. Daugs pointed out that that the project has not been designed at this point, there will be time to review the specifics before it begins. The application must be submitted this week to be considered for funding. The purpose meets many CWD goals.

Ms. Simmonds asked who initiated the request; Mr. Daugs said the canal companies have been looking at funding options, the headgate structure needs repair, and Logan City is looking to pipe through the park area.

Mr. Clark is concerned because he has not had time to review the application.

Chairman Hardman asked Mr. Daugs to explain what the District's responsibility will be. Mr. Daugs said it would be similar to other PL-566 projects, the District will be the "pass-through" group. If the application is selected for funding, there will be additional steps required to move forward.

Mr. Baldwin asked how many other applicants there are. Mr. Daugs said he does not know but believes the 75/25 ratio provides a good incentive.

Chairman Hardman agreed that it would be nice to have more time to consider this, however, he asked if the Board was comfortable with the submission. Mr. Clark asked if a poll could be done later in the week after members have had more time to review it. Chairman Hardman said the application is due by Friday and the decision has to be done during a public meeting.

Mr. Pearce asked if another entity would consider being the sponsor if the District does not want to. Mr. Daugs said he did not know.

Chairman Hardman asked if the District would be involved in overseeing the design portion to ensure it meets key priorities. Mr. Daugs said the CWD would be involved in the entire process.

Chad Brown said this specific WaterSmart grant is new, the chances of getting funding would be better now than in the future after it is more well-known. The project will have to go through an EA process, which involves public comment. This application is seeking funding to move forward. There will be an opportunity to comment, direct and drive the direction of the project.

Mr. Pearce does not like the precedent of approving “last minute” applications. Mr. Clark agrees, the concept is good, but the timeline of approving it is a concern. Mr. Pearce is also concerned about who will be involved. Mr. Daugs said the only unsure entity is iFit. The developer, Logan City, and canal company are all committed.

Mr. Roper is concerned and said there seems to be a misrepresentation of participants because there is only one letter of support included. Mr. Daugs said the anticipation is to receive more support, if it is not received, the entity will be removed.

Ms. Simmonds said a resolution approval would require a noticed public meeting. Mr. Daugs proposed removing the resolution and just submitting the grant application. A resolution could be reviewed at the next meeting.

Mr. Clawson said the vision is clear even if the details of the plan are not complete.

ACTION: Motion by Mr. Randall to approve submission of the WaterSmart application with the removal of the resolution portion. Seconded by Mr. Lindley. The motion was approved unanimously (5-4).

Aye: Baldwin, Clawson, Hardman, Lindley, Randall

Nay: Clark, Pierce, Roper, Simmonds

Absent: Dustin, Olsen

LEGISLATION:

Mr. Daugs said the only one for discussion right now is the water infrastructure bill, which will increase the penalty for hooking into a water delivery system without written agreement.

ADJOURN

The meeting adjourned at 7:15 p.m.

Next meeting: Jan. 3, 2022

-ATTACHMENT 1-

**Cache Water District
Profit & Loss Budget vs. Actual
October through November 2021**

4:52 PM

12/06/21

Accrual Basis

	<u>Oct - Nov 21</u>	<u>Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense			
Income			
Cache County Property Taxes	0.00	45,832.00	0.0%
PL-566 Watershed Grant	39,000.00	166,666.00	23.4%
Wellsville Mendon Study	94,871.08		
Total Income	<u>133,871.08</u>	<u>212,498.00</u>	<u>63.0%</u>
Gross Profit	<u>133,871.08</u>	<u>212,498.00</u>	<u>63.0%</u>
Expense			
Office			
Insurance and Bonding	0.00	832.00	0.0%
Office Supplies	0.00	250.00	0.0%
Publications	0.00	832.00	0.0%
Rent	5,400.00	916.00	589.5%
Technology			
Cell Phone	106.80		
Computer and printer	26.75		
Technology - Other	0.00	500.00	0.0%
Total Technology	<u>133.55</u>	<u>500.00</u>	<u>26.7%</u>
Vehicle			
Fuel	0.00	416.00	0.0%
Vehicle - Other	0.00	8,332.00	0.0%
Total Vehicle	<u>0.00</u>	<u>8,748.00</u>	<u>0.0%</u>
Total Office	<u>5,533.55</u>	<u>12,078.00</u>	<u>45.8%</u>
Outreach			
Conservation	0.00	4,166.00	0.0%
Dues	385.00	416.00	92.5%
Sponsorships	0.00	416.00	0.0%
Training	125.00	1,000.00	12.5%
Website	0.00	332.00	0.0%
Total Outreach	<u>510.00</u>	<u>6,330.00</u>	<u>8.1%</u>
Personnel			
Salary and benefits	14,650.88	21,416.00	68.4%
Travel and Mileage	259.50	832.00	31.2%
Total Personnel	<u>14,910.38</u>	<u>22,248.00</u>	<u>67.0%</u>
Professional Fees			
Administrative	0.00	250.00	0.0%
Attorney Services	0.00	5,000.00	0.0%
Audit	0.00	1,166.00	0.0%
Financial Services	309.00	1,666.00	18.5%
Total Professional Fees	<u>309.00</u>	<u>8,082.00</u>	<u>3.8%</u>
Project funding			
Cloud Seeding	0.00	8,332.00	0.0%
Water Acquisition	0.00	6,166.00	0.0%

4:54 PM

12/06/21

Accrual Basis

Cache Water District
Profit & Loss Budget vs. Actual
 January through November 2021

	Jan - Nov 21	Budget	% of Budget
Ordinary Income/Expense			
Income			
Cache County Property Taxes	0.00	252,084.00	0.0%
PL-566 Watershed Grant			
NRCS	20,000.00		
PL-566 Watershed Grant - Other	113,500.00	916,667.00	12.4%
Total PL-566 Watershed Grant	133,500.00	916,667.00	14.6%
Wellsville Mendon Study	178,274.88		
Total Income	311,774.88	1,168,751.00	26.7%
Gross Profit	311,774.88	1,168,751.00	26.7%
Expense			
Office			
Bank Charges	47.95		
Insurance and Bonding	0.00	4,584.00	0.0%
Office Supplies	435.50	1,375.00	31.7%
Publications	0.00	4,584.00	0.0%
Rent	6,750.00	5,042.00	133.9%
Technology			
Cell Phone	528.34		
Computer and printer	26.75		
Technology - Other	0.00	2,750.00	0.0%
Total Technology	555.09	2,750.00	20.2%
Vehicle			
Fuel	0.00	2,292.00	0.0%
Vehicle - Other	0.00	45,834.00	0.0%
Total Vehicle	0.00	48,126.00	0.0%
Total Office	7,788.54	66,461.00	11.7%
Outreach			
Conservation	20,000.00	22,917.00	87.3%
Dues	3,141.00	2,292.00	137.0%
Sponsorships	200.00	2,292.00	8.7%
Training	125.00	5,500.00	2.3%
Website	24.85	1,834.00	1.4%
Total Outreach	23,490.85	34,835.00	67.4%
Personnel			
Salary and benefits	101,139.94	117,792.00	85.9%
Travel and Mileage	5,927.67	4,584.00	129.3%
Total Personnel	107,067.61	122,376.00	87.5%
Professional Fees			
Administrative	306.00	1,375.00	22.3%
Attorney Services	0.00	27,500.00	0.0%
Audit	0.00	6,417.00	0.0%
Financial Services	686.75	9,167.00	7.5%
Total Professional Fees	992.75	44,459.00	2.2%
Project funding			
ASR Studies	153.64		
Cloud Seeding	45,987.50	45,834.00	100.3%
Water Acquisition	0.00	33,917.00	0.0%

-ATTACHMENT 2-

PRELIMINARY BUDGET

Cache Water District 2022

Income	Taxes	\$	275,000
	PL-		
	566	\$	1,000,000
Transfer from reserves		\$	254,500
Expenses			
Personnel			
	Salary + Benefits	\$	135,000
	Vehicle	\$	50,000
	Fuel	\$	2,500
	Travel	\$	5,000
	Attorney Services	\$	30,000
	Financial Services	\$	10,000
	Administrative Services	\$	1,500
	Audit	\$	7,000
	Total Personnel	\$	241,000
Outreach			
	Conservation programs	\$	25,000
	Dues	\$	2,500
	Training	\$	6,000
	Website	\$	2,000
	Sponsorships	\$	2,500
	Insurance/Bonding	\$	5,000
	Total Outreach	\$	43,000
Office			
	Publications	\$	4,500
	Technology	\$	3,000
	Rent	\$	5,500
	Office Supplies	\$	2,000
	Total Office	\$	15,000
Project Funding			
	Cloud seeding	\$	50,000
	Water Studies	\$	150,000
	water purchases	\$	30,500
	Crockett	\$	400,000
	Wellsville/Mendon	\$	600,000
	Total Project Funding	\$	1,230,500
Balance		\$	-

