



## 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](http://www.cachewaterdistrict.com)

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# CACHE WATER DISTRICT BOARD OF TRUSTEES MEETING MINUTES December 16, 2019

The Cache Water District Board of Trustees convened for a regular meeting on December 16, 2019 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:**

Jonathan W. Hardman – South Council District  
Jeannie F. Simmonds – Logan #1 Council District  
Max Pierce – North Council District  
Bret Randall – Northeast Council District  
Jared Clawson – At-Large Position  
Kirt Lindley – At-Large Position  
Herm Olsen – Logan #3 Council District  
David Erickson – At-Large Position

### **MEMBERS OF THE BOARD ABSENT:**

Don Baldwin – Agricultural Representative  
Scott Clark - Logan #2 Council District  
Shaun Dustin – Southeast Council District

**OTHERS IN ATTENDANCE:** Nathan Daugs (CWD Manager), Jim DeRito (Trout Unlimited), Ann Neville (TNC), Hilary Shughart (Bridgerland Audubon Society), Wayne Wurtsbaugh (Bridgerland Audubon Society), Chris Slater (J-U-B), Mike Wilson (CRS Engineers), Debbie Zilles

### **CALL TO ORDER**

The meeting was called to order by Chairman Hardman at 5:30 p.m.  
Consideration for minutes of November 18, 2019 and agenda for December 16, 2019.

**ACTION: Motion by Mr. Clawson to approve the agenda and the minutes as submitted\*. Seconded by Mr. Olsen. Motion approved unanimously.**

\*Note: Hilary Shughart had made a comment from the audience at the November 18, 2019 meeting, which was not included in the written minutes. She clarified her comment and felt that it was important that it be included in the public record. She had raised a question as to whether there was a requirement regarding public notification. She thought there should

be more publicity for the regular meetings, and especially for something as important as the Water Master Plan. Ms. Simmonds had replied that this body is not required by law to do that. She does not understand why a greater effort is not made. There are people who are unaware that the Water District has been in place for three years. She encouraged budgeting for better public notification. When the Board was first formed she signed up through the Public Meeting Notice website and was informed that emails would no longer be sent out for new organizations. This is an important element to provide a constant reminder that the District is thinking about water-related issues. She strongly urged better notification regarding the Water Master Plan, more people need to be made aware that there is a draft that is available for review and comment.

### **PUBLIC COMMENT**

Ann Neville (TNC), said it has taken her some time to articulate exactly what she wanted to say. In the plan and priorities, the list of activities under conservation are laudable and probably somewhat overwhelming, however, they do not explicitly address the fundamental principles of protecting the actual source of water. As with most water district plans, the legal water rights protection and delivery are foremost in plans. However, there is a risk of assuming the water will always be there. While all the effort in planning documents focus on water rights protection, it loses sight of natural systems which provide the water. This new District and Plan has an opportunity to directly connect natural systems to their beneficiaries – not using scare tactics or threats, but through respect and appreciation of renewable resources we share with nature. Some ways the CWD can measure the protection of water resources include: acres of forest treated to prevent catastrophic forest fire, linear feet of river restored with riparian vegetation of various class size, acres of grazed land within the watershed with improved Best Management Practices, a number of alternate water sources (away from river) for rangelands, acres of natural buffer between cultivated land and the river, or reports on annual and seasonal variation of water availability compared to the district-wide water demand, etc. While the protection of the legal components of delivering water is important, some emphasis needs to be placed on protecting the water resource itself – as stated is in the District’s Purpose. As the Board and users of the water from the District better understand where the water originates, and how it gets to them, this District has an opportunity to set a more understanding and cooperative stage for any water user’s behavioral changes which may be needed in the future as population grows.

Hilary Shughart thinks the comment period is too short. Bryan Dixon has spent quite a bit of time submitting very thoughtful comments and she encouraged the Board to take the time to consider what he had to say before the Plan is adopted.

### **REVIEW CALENDAR & ACTION REGISTER**

- Dec. 18 – Utah Water Task Force 1:30 p.m. (DNR Building – SLC)  
At this meeting, the hope is to get an endorsement on water banking legislation.

- Dec. 20 – Utah Ag. Water Optimization Task Force 10:00 a.m. (DNR Building - SLC)  
This task force looks at ways to better optimize agricultural water use and possible future projects.
- Jan. 08 – Great Salt Lake Advisory 10:00 a.m. – TBD
- Jan. 13 – CWD Meeting (to be held the second Monday due to scheduling conflicts and a holiday). The meeting will include elections for 2020 Board leadership, discuss and adopt the 2020 meeting schedule and provide a draft of the Annual Plan of Operations.

**FINANCIAL REPORT**

(See **-Attachment 1-**) Ms. Simmonds noted that, except for the Cloud Seeding category that does not reflect the refund against the actual expense, most categories are under and/or on target to meet budget. Mr. Daugis is working on getting a bill for 2019 rent expenses.

**BUDGET HEARING FOR 2020**

**Proposed 2020 Preliminary Budget**

<b>INCOME</b>			<b>\$ 275,000</b>
<b>TRANSFER FROM RESERVES</b>			<b>\$ 205,500</b>
	<b>EXPENSES</b>		
	<b>PERSONNEL</b>		
	Salary + Benefits	\$ 130,000	
	Travel/Mileage	\$ 15,000	
	Vehicle Lease	\$ 15,000	
	Attorney Services	\$ 30,000	
	Financial Services	\$ 10,000	
	Audit	\$ 7,000	
	Training	\$ 6,000	
	<b>Total Personnel</b>		<b>\$ 213,000</b>
	<b>OUTREACH</b>		
	Conservation Programs	\$ 30,000	
	Dues	\$ 2,500	
	Website	\$ 2,000	
	Sponsorships	\$ 3,000	
	Insurance/Bonding	\$ 5,000	
	<b>Total Outreach</b>		<b>\$ 42,500</b>
	<b>OFFICE</b>		
	Publications	\$ 4,500	
	Technology	\$ 3,000	
	Rent	\$ 6,000	
	Office Furnishings	\$ 2,500	
	Office Supplies	\$ 2,000	
	<b>Total Office</b>		<b>\$ 18,000</b>
	<b>PROJECT FUNDING</b>		

	Cloud Seeding	\$ 52,000	
	Water Studies	\$ 50,000	
	Update Water Master Plan	\$ 10,000	
	Secondary Irrigation	\$ 25,000	
	Seepage Loss Studies	\$ 30,000	
	Bear River Development	\$ 5,000	
	ASR Studies	\$ 25,000	
	Water Banking	\$ 10,000	
	<b>Total Project Funding</b>		<b>\$ 207,000</b>
<b>BALANCE</b>			<b>\$ -</b>

**6:03 p.m. Public Hearing Opened**

Mr. Daugs pointed out a few minor changes: Office Furnishings and Rent were decreased; Publications and Conservations Programs were increased and Cloud Seeding increased \$2,000 due to the contract.

Ms. Simmonds said \$205,500 is being taken out of reserves (which is the last year). Mr. Daugs said that is half of the amount still in reserves so going into the 2021 year, the budget will likely be similar but if taxes are not collected until the end of the year, a portion of reserves may need to be used to operate.

Mr. Randall asked how much of the total \$207,00 for Project Funding has been committed to specific projects or whether it is mostly anticipated. Mr. Daugs said Cloud Seeding is contracted, the other committed funds are related to the Master Plan Update, however the total amount may not be spent. The other categories are as projects come up. Mr. Pierce asked if projects under Project Funding would go out for RFP. Mr. Daugs said if a project is approved, it would be put out for bid, just like was done with the Master Plan update.

Mr. Pierce asked about vehicle leasing. Mr. Daugs said Ms. Simmonds will look into possible options for next year. Mr. Erickson said the County has a state contract for vehicle leasing. Mr. Randall asked about mileage; Mr. Daugs said if a vehicle is leased, funding for mileage reimbursement would be removed.

**6:09 p.m. Public Hearing Closed**

**MOTION:** Mr. Randall moved to **approve the 2020 Budget as presented.** Mr. Lindley seconded the motion. Motion approved unanimously (8-0).

**Aye:** Clawson, Erickson, Hardman, Lindley, Olsen, Pierce, Randall, Simmonds

**Nay:**

**Abstain:**

**Absent:** Baldwin, Clark, Dustin

**MANAGER’S REPORT**

**Wellsville/Mendon Canal** - Mr. Daugs has met with representatives from Wellsville City, Mendon City, the Wellsville/Mendon Canal Company and Wellsville City Irrigation Company, about the possibility of applying for a grant (PL-566, like the Crockett project).

This grant would be much smaller than the Crockett grant and would initially include pressurized irrigation for Wellsville City, storm water elements and some potential recreation aspects. The application deadline is February 2020. They have asked the Water District to be the sponsor of the grant (as the only eligible entity to apply) and a cost-share for the grant submittal process with Mendon, Wellsville and Cache County.

Ms. Simmonds asked if a feasibility study has been done. Mr. Daugs said they have.

Mr. Clawson asked what funding they are requesting. Mr. Daugs explained that it would be up to \$5,000. Mendon and Wellsville will both be contributing and the County has committed \$4,000 in funding.

Mr. Daugs said the Water District would put out the RFP. Ms. Simmonds asked about liability. Mr. Daugs said it would be similar to the Crockett project, the CWD would help coordinate the process, with the only financial obligation being the funding for the grant submittal process.

Ms. Simmonds asked if this would require an amendment or change to the 2020 Budget. Mr. Daugs said it would not, there are two categories the funds could come out of (Water Studies, which has \$50,000 budgeted and/or Secondary Irrigation, which has \$25,000 budgeted).

Mr. Pierce asked how the District will determine what requests to help with in the future. Mr. Daugs said a process should be discussed and considered.

Ms. Simmonds asked what % of the total cost is being requested. Mr. Daugs said \$5,000 would be the maximum amount the District would put in. Mr. Lindley said the Wellsville Irrigation Company will put \$5,000 toward it, Wellsville City will put in \$2,000 and Mendon City will put ~\$3,000 in. Chairman Hardman pointed out that 85% of Mendon City is already pressurized so their contribution will be less. The County is willing to put in funds for the storm water aspect. Ms. Simmonds asked if there is a feasibility study for the storm water element. Mr. Daugs said there is not a set design at this point on everything that will need to be done. This will likely be the first of many grants over the next several years to help from Hyrum Dam to Petersboro. Part of the issue is a project cannot be done on the canal itself because it bureau-owned. The canal companies are looking at potential ownership transferal of the canal. Ms. Simmonds asked what would happen if the bureau decided to transfer ownership to the Water District. Mr. Lindley said they will not.

Mr. Olsen said if the District chooses to be the sponsoring entity, an agreement with a waiver of indemnification provision should be drafted so that the District does not bear any responsibility for anything that could go amiss. Mr. Erickson noted that this would be the same as was done with the Crockett project.

Mr. Pierce questioned whether the District has the budget and manpower to handle this request. Mr. Daugs pointed out that the grant would be done by a procured outside agency and there are adequate funds in place.

Mr. Lindley advised that irrigation companies have already spent about \$17,000 toward this project.

Mr. Clawson said helping canal companies is part of the District's scope of responsibilities. He is a little concerned about overloading the District once the grants are procured. Ms. Simmonds said the challenge is that canal companies need a sponsoring entity to apply for grant funds, however, she also thinks the District needs to be careful how these projects fulfill the purposes and goals of the District. Mr. Clawson said conservation is a big part of the District's scope and responsibility. Mr. Daugs said it could meet several goals in the Master Plan. Ms. Simmonds agreed, but said there needs to be careful consideration given because taxpayer money is being spent. Mr. Erickson said there is also a water quality component that should be considered.

Mr. Randall would like to review a project funding sheet when these types of requests are presented, which would include specific criteria, including the amount of the project, the amount of funding being requested and how the project meets the goals of the District. Chairman Hardman agreed and said the District should also come up with a prioritization list (as per Mr. Pierce's concern). (ACTION ITEM)

**MOTION:** Mr. Erickson moved to **approve allocating up to \$5,000 toward this grant request and authorize the District to be the sponsoring entity.** Mr. Clawson seconded the motion. Motion approved unanimously (6-0).

**Aye:** Clawson, Erickson, Olsen, Pierce, Randall, Simmonds

**Nay:**

**Abstain:** Hardman, Lindley

**Absent:** Baldwin, Clark, Dustin

**Water Banking Update** Mr. Daugs pointed out that this has been one of, if not the most, vetted piece of water legislation to date. There have been many statewide presentations over the last two years. If it passes, Cache County is still one of the three potential pilot projects. The State has \$800,000 set aside for a project manager to help set up the projects. Ms. Simmonds asked what will happen to the USU study. Mr. Daugs said that information will be helpful once it is completed and published. Mr. Daugs will follow up with USU and have them provide a presentation when they are finished.

**Other** Subcommittee meetings will be held at least quarterly in 2020 with members assigned to different categories within the Annual Action of Operation to get things moving more effectively.

Chairman Hardman sent an email to the members regarding Mr. Daug's annual performance review, moving forward, there will be increased communication from many of the meetings that are attended. This may require a budget increase for 2020.

## REVIEW DRAFT WATER MASTER PLAN

Chris Slater, J-U-B Engineers, provided an overview of the Master Plan at the last meeting. He was present to answer any questions and take notes of any thoughts and/or proposed adjustments.

Chairman Hardman said the Board's options for tonight are to: (1) adopt the Plan with no changes; (2) adopt the Plan with minor changes; (3) wait until January if there are significant changes that need to be incorporated; or (4) continue under the current plan to allow for additional time for review.

Mr. Olsen said Ms. Neville's comments about protecting the water resource itself could be included in the 5-Year Priorities on page 9. He has not had an opportunity to review Mr. Dixon's comments, if they have not been evaluated against the draft, he would consider deferring adoption to allow the opportunity for those comments to be addressed. He would feel more comfortable if all comments are evaluated to see if they can strengthen what has been proposed.

Mr. Daugs said comments have been received from Bryan Dixon, Frank Howe, Jim DeRito, Thad Erickson and Bill Young.

Mr. Clawson has reviewed the draft and believes it hit most of the key items that were identified. He thought it was well done.

Mr. Lindley is not opposed to wait until February to adopt it.

Ms. Simmonds commended the hard work, but felt that all comments should be carefully evaluated. She would like to take plenty of time and not rush to adopt it.

Mr. Pierce has a few minor comments. He has had two entities approach him and advise that they have not had a chance to put all their comments together yet. He suggested that a specific date to approve not be set, but that all comments be carefully vetted to see if they can strengthen the plan. There is no need to rush adoption, but a deadline for comments could be set. Mr. Daugs said a subcommittee could be formed to consider all comments that have been submitted.

Mr. Randall thinks it is good in terms of a road map, which is what a Master Plan is designed to be. In reviewing some of the comments that have come in, they tend to be specific items about what should be included, which is not what a Master Plan should be, it should be more of a guideline. The Plan is a working document and can be updated and amended as necessary; many Master Plans are updated regularly. He has no issues in waiting to adopt it.

Chairman Hardman said this document will be used for the Annual Plan of Operations, however, if additional time is taken, the Annual Plan can be tweaked.

Mr. Erickson said the draft is well done. Many of the comments dig into specifics which could hamstring a Master Plan and make it less flexible. He encouraged the Board to be careful when considering comments and determining what will strengthen and what might weaken the effectiveness of the Plan. If it becomes too detailed it will be less effective. He feels comfortable with where it is, but is fine with taking more time.

**MOTION:** Mr. Olsen moved to **extend the public comment period for the Draft Water Master Plan to December 31, 2019**. Ms. Simmonds seconded the motion. Motion approved unanimously (8-0).

**Aye:** Clawson, Erickson, Hardman, Lindley, Olsen, Pierce, Randall, Simmonds

**Nay:**

**Abstain:**

**Absent:** Baldwin, Clark, Dustin

Wayne Wurtsbaugh from Bridgerland Audubon Society, asked about the missing pages 11-26. Mr. Slater said the DWR plans to provide information on the future outlook of water, which will be included once it is completed. That information is not anticipated to change the details or actions of the Plan. There is not an exact date, but it should be completed in January-February.

Mr. Slater said comments can be put together for a workshop to discuss how they can be addressed. Mr. Daugs will coordinate with J-U-B and update the website on the extension of the public comment period.

Ms. Neville said there is no map. Mr. Slater asked what type of map would be most beneficial. He explained that the challenge is that the District does not have any water, each municipality has their own water maps. Mr. Neville said water sources in the County and land ownership would be helpful. Ms. Simmonds said that information might be helpful to understand the broader context.

Mr. Randall said the District should be careful taking comments from people with special interests. The District does not own any water sources and it serves the entire County. Special interest groups have specific issues related to their own purposes. The District serves all citizens, not certain groups.

Chairman Hardman suggested striking the wording "~~multijurisdictional~~" in the Executive Summary under the *Other* category, so it reads "*Assist with other opportunities as they arise and as they fit within the purposes of CWD*" to keep it broader.

**ADOURN**

The meeting adjourned at 6:44 p.m.



# -ATTACHMENT 1- Monthly Financial Report

1:33 PM

12/15/19

Accrual Basis

## Cache Water District Profit & Loss Budget vs. Actual January through November 2019

	Jan - Nov 19	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
Cache County	295,250.00	250,000.00	45,250.00	118.1%
<b>Restricted Income</b>				
Northern Utah Water Conference	2,215.00			
<b>Restricted Income - Other</b>	22,271.86	1,373.61	20,898.25	1,621.4%
<b>Total Restricted Income</b>	24,486.86	1,373.61	23,113.25	1,782.7%
<b>Total Income</b>	319,736.86	251,373.61	68,363.25	127.2%
<b>Gross Profit</b>	319,736.86	251,373.61	68,363.25	127.2%
<b>Expense</b>				
<b>Office</b>				
Insurance and Bonding	3,157.00			
Office Supplies	631.93	1,834.00	-1,202.07	34.5%
Publications	0.00	2,750.00	-2,750.00	0.0%
Rent	0.00	5,042.00	-5,042.00	0.0%
<b>Technology</b>				
Cell Phone	624.94			
Computer and printer	683.42			
<b>Technology - Other</b>	0.00	2,750.00	-2,750.00	0.0%
<b>Total Technology</b>	1,308.36	2,750.00	-1,441.64	47.6%
<b>Total Office</b>	5,097.29	12,376.00	-7,278.71	41.2%
<b>Outreach</b>				
Conservation	4,325.00	15,125.00	-10,800.00	28.6%
Dues	902.00	1,834.00	-932.00	49.2%
Northern Utah Water Conference	2,271.06			
Training	1,909.81	5,500.00	-3,590.19	34.7%
Website	265.92	2,292.00	-2,026.08	11.6%
Outreach - Other	256.88			
<b>Total Outreach</b>	9,930.67	24,751.00	-14,820.33	40.1%
<b>Personnel</b>				
Salary and benefits	85,857.21	100,833.00	-14,975.79	85.1%
Travel and Mileage	7,529.83	9,167.00	-1,637.17	82.1%
<b>Total Personnel</b>	93,387.04	110,000.00	-16,612.96	84.9%
<b>Professional Fees</b>				
Administrative	482.50			
Attorney Services	0.00	27,500.00	-27,500.00	0.0%
Audit	0.00	6,417.00	-6,417.00	0.0%
Financial Services	361.00	9,167.00	-8,806.00	3.9%
<b>Total Professional Fees</b>	843.50	43,084.00	-42,240.50	2.0%
<b>Project funding</b>				
Cloud Seeding	53,065.18	45,833.00	7,232.18	115.8%
Water Master Plan	21,800.00	36,667.00	-14,867.00	59.5%
<b>Water Studies</b>				
Crockett Study	7,777.21			
Water Banking	8,155.39			
<b>Water Studies - Other</b>	0.00	18,333.00	-18,333.00	0.0%
<b>Total Water Studies</b>	15,932.60	18,333.00	-2,400.40	86.9%
<b>Total Project funding</b>	90,797.78	100,833.00	-10,035.22	90.0%
<b>Total Expense</b>	200,056.28	291,044.00	-90,987.72	68.7%
<b>Net Ordinary Income</b>	119,680.58	-39,670.39	159,350.97	-301.7%
<b>Net Income</b>	119,680.58	-39,670.39	159,350.97	-301.7%