



Board Meeting Minutes

Wednesday October 22, 2025 @ 7:00 P.M.
102 West Forest Street
Brigham City, UT 84302

In Attendance: Jay Capener, Chairman
Lesley Kendrick, Vice-Chairman
Lyle Holmgren, Financial Chairman
Riggin Holmgren
Brodie Calder

Kelly Lemmon
Joseph Summers
DJ Bott
Tim Munns
Boyd Bingham

Excused: Mike Braegger

Staff: Chance Baxter, General Manager
Jamie Williams, Office Manager
Jon Schutz, Legal Counsel

1- WELCOME

Chairman Jay Capener called the meeting to order at 7:00 pm

2- INVOCATION & PLEDGE OF ALLEGIANCE

Offered by Trustee DJ Bott

3- DECLARATION OF CONFLICTS OF INTEREST

No conflicts declared

4- CONSENT AGENDA

4.1 Adoption of Agenda

4.2 Approval of Minutes – September 24, 2025

Trustee Tim Munns made a motion to adopt items listed on the consent agenda with the removal of item 6.4 on the agenda, motion was seconded by Trustee Brodie Calder; all members vote aye, motion passed.

5- APPROVAL OF FINANCIAL STATEMENTS – SEPTEMBER 2025

Financial Chairman Lyle Holmgren stated that after reviewing the checks and bank statements, he found no discrepancies and believes everything is in order. Trustee DJ Bott made a motion to approve the financial statements September 2025, motion was seconded by Trustee Joe Summers; all members vote aye, motion passed.

6- ACTION ITEMS

6.1 Proposed Resolution 2025-27, for the purpose of initiating the withdrawal of Brigham City from the District – Chairman Jay Capener turned the time over to Attorney Jon Schutz

Attorney Jon Schutz attended the meeting to provide clarification on the process for withdrawing areas from the District. He explained that there are four legal methods for withdrawal, but only two are relevant in this case: the petition method, where residents can submit a petition signed by at least 51% of them, and the board-initiated resolution, where the District Board itself can initiate the withdrawal process.

Schutz noted that Brigham City and Perry City had previously submitted documents that were initially interpreted as petitions but were later clarified to be requests for the board to initiate the process. He emphasized that there is currently no formal petition before the board and no action is required at this time. For the process to begin, a board member would need to propose a resolution, which the board would then discuss and vote on.

During discussions with board members, Schutz confirmed that if the board were to reject the proposal and not allow the cities to withdraw, the cities could still gather 51% of the people in the city to sign a petition, which would force the District to consider their withdrawal. He also noted that the people in the cities could bypass the city government altogether and bring their own petition to the District if they wanted to withdraw. Schutz informed the trustees that the cities have alternative paths to pursue withdrawal if the board were to reject their initial proposal.

Trustee Brodie Calder expressed his understanding of Brigham City's perspective, acknowledging that the city may not have received significant benefits from being part of the District. He then posed a question to the city's representatives, inquiring about what it would take for Brigham City to consider staying in the District, implying that the District should consider offering some form of incentive or benefit to encourage the city to remain.

Trustee DJ Bott stated that Brigham City's approach to managing its own utility is a model that other municipalities in the Bear River Water District should strive for. He explained that Brigham City operates its utility independently, funding its own projects and raising rates as needed, without relying on the District for support. Bott noted that Brigham City would never need to ask for assistance because they own and operate their own successful and running utility, and they have enough water to meet their needs.

Trustee Brodie Calder expressed his understanding of the situation, but also considered the broader implications for the county as a whole. He believed that it makes sense to examine the growth and infrastructure needs of the county, as these are the biggest challenges facing the area. From the county's perspective, he thought it would be beneficial to work together with Brigham City, rather than losing a significant portion of revenue if the city were to withdraw from the District. He noted that if Brigham City were to leave, other cities like Perry and possibly Tremonton might follow, which could lead to the District's collapse. Calder preferred to explore options that would encourage Brigham City to stay in the District and suggested that the board could vote on measures to make this happen. He acknowledged that other cities, such as Honeyville, Bear River and Elwood could also have concerns about not receiving benefits from the District, and hoped to find a solution that would address these issues and keep the District moving forward.

Vice Chairman Lesley Kendrick proposed a motion to reject resolution 2025-27 related to Brigham City's withdrawal from the District, citing the need for unity and cooperation among the county's entities. Trustee Kelly Lemmon seconded the motion, allowing for discussion to proceed. The motion aimed to promote a collaborative approach, rather than allowing individual entities to withdraw from the District and emphasized the importance of working together for the benefit of the county as a whole.

The board members inquired about the possibility of creating a solution that would benefit the taxpayers, and whether the board could take action to address the concerns of Brigham City and other entities. Board members expressed their willingness to work with Brigham City for an alternative approach.

Trustee DJ Bott suggested that instead of waiting for Brigham City to come up with a solution, the board should take the initiative to propose a plan to Brigham City, outlining what the District is willing to offer to keep them as part of the District. He believed that the board should take the lead in negotiating and come up with a proposal, rather than simply inviting Brigham City to the negotiation table. Bott thought that the

board members should work together to develop a proposal that addresses Brigham City's concerns and provides a compelling reason for them to remain in the District.

Chairman Jay Capener asked Schutz to explain to the board about the cascading effect.

Schutz explained that the board has the option to reject a petition for withdrawal, even if it is supported by 51% of the voters, due to the cascading effect. This means that the board can consider the potential impact of one entity's withdrawal on the rest of the District and reject the petition if it would have a negative effect. Schutz noted that the board can consider factors such as the ability to pay back bonds, and that even if an entity withdraws, they would still be responsible for their portion of the bonds. He emphasized that the withdrawal process comes with a significant price tag and a lot of complexity, even if the petition is supported by a majority of voters. Schutz noted that if there are discussions to be had about finding a mutually beneficial solution or making the current situation more acceptable to both parties, those conversations can take place, potentially leading to a more favorable outcome for all involved.

The motion on the table as previously stated is to reject the resolution 2025-27 related to Brigham City's withdrawal from the District.

<u>Aye</u>	<u>Nay</u>
Jay Capener	DJ Bott
Lesley Kendrick	Brodie Calder
Lyle Holmgren	
Riggin Holmgren	
Kelly Lemmon	
Joseph Summers	
Tim Munns	
Boyd Bingham	

Motion passed 8-2

6.2 Discuss Water Service Policy amendment and set public hearing for the purpose of approving the proposed amendment

General Manager Chance Baxter explained to the board that the proposal to define different rates for District-owned property was a result of negotiations with Chanshare Farms three months prior. He and Attorney Jon Schutz had discussed the issue multiple times and decided to add a new section, 2.7, to the water service policy, which would allow the District to provide water service to District-owned property at a different rate than the regular rate. Baxter noted that Schutz had suggested this approach, which would give the District the option to set a different rate but would not require it. The idea behind this was to provide flexibility, as District-owned properties have different considerations, such as preserving the District's water rights, and may justify a different rate. Chance believed that this approach would give the District autonomy to make decisions about rates for District-owned properties.

Trustee DJ Bott pointed out to Schutz that the proposal to define a different rate for District-owned property doesn't specify what that rate is, which could be problematic. Schutz acknowledged that the policy itself doesn't define the rate, and that the wholesale rate is not explicitly mentioned. Bott then asked if the contract is a wholesale or retail contract, and Schutz confirmed that it is a wholesale contract. However, Bott questioned whether this classification is accurate, since the water is being sold to an end user, not being resold to a utility. Schutz agreed that the definition of wholesale typically implies resale to a utility, whereas retail implies sale to an end user. Bott noted that the existing contract refers to the rate as wholesale, which may be inconsistent with the actual nature of the transaction.

Chance Baxter recommended simplifying the language by removing the term "wholesale" and instead stating that the District may provide water service to District-owned property at a rate that is "different than a regular rate". This would eliminate any potential confusion or inconsistency with the definition of wholesale.

The board members discussed the proposal and the potential implications of setting a different rate for District-owned properties.

Trustee Riggin Holmgren made a motion to set a public hearing for the purpose of approving the Water Service Policy amendment and removing the word "wholesale" from section 2.7.1 for November 19, 2025 at 7:00 PM, motion was seconded by Financial Chairman Lyle Holmgren. After further discussion, Trustee DJ Bott made an amendment to Holmgren's motion to, the amendment was accepted by Trustee Holmgren; all members vote aye, motion passed.

6.3 Proposed Resolution 2025-29 for the purpose of approving the agreement for Cloud Seeding Professional Services 2025-2026 and authorizing the Chairman to sign Cloud Seeding Contract

Chance Baxter noted that the state was heavily investing in cloud seeding in the Bear River watershed, with an estimated \$5-6 million being spent this year. The state was also changing the cloud seeding sites to remote-generated sites, which would eliminate the need for manual startup. The cost of the cloud seeding services would be \$60,000, with the state providing a 50% match, making it a good deal. *Trustee DJ Bott made a motion to approve resolution 2025-29 to approve the Cloud Seeding agreement and authorizing the Chairman to sign the contract, motion was seconded by Financial Chairman Holmgren; all members vote aye, motion passed.*

6.4 Mantua Generator (50% District contribution)

Item removed from agenda

6.5 Possible assumption of water service for Cedar Ridge Distribution Company

Mr. David Thompson, the manager of Cedar Ridge Distribution Company, appeared before the board to discuss the company's water system. He explained that he had been managing the company for 45 years and was now looking to retire. However, he was concerned about the future of the water system, which serves 37 customers in the Cedar Ridge subdivision.

Thompson explained that the water system was installed in 1980 and that he had built the water tank and installed the infrastructure, except for the wells, which were drilled by someone else. He noted that the system was designed to serve the 37 customers and that there were no plans for future expansion.

Thompson told the board that he had met with the water users in the subdivision and that they had unanimously agreed to petition the District to take over the water system. He explained that the users were concerned about the future of the system and wanted to ensure that it would continue to be managed and maintained properly.

Thompson provided the board with information about the water system, including the fact that it had two tanks with a total capacity of 150,000 gallons, and that the water lines were all 6 inches in diameter, except for the main line, which was 8 inches. He also noted that the system had fire hydrants and that the pressure in the system was sufficient to meet the needs of the customers.

The board members asked Thompson questions about the water system, including how it was currently being managed and maintained. Thompson explained that he was responsible for managing the system, but that he was no longer able to continue in that role due to his retirement.

The board members also discussed the possibility of the District taking over the water system, and the potential costs and benefits of doing so. They noted that the District would need to evaluate the condition of the system and determine what upgrades or repairs might be needed.

Trustee DJ Bott asked Thompson about the current rate structure for the water system, and Thompson explained that the rate was \$60 per month, plus a usage fee. He noted that the rate had not been increased in 12 years and that the system was not currently generating enough revenue to cover its costs.

The board members decided to table the discussion and asked Thompson to provide more information about the water system, including its financial condition and any potential liabilities. They also asked him to provide information about the subdivision's annexation plans and whether the city of Tremonton was interested in taking over the water system.

Trustee DJ Bott made a motion to table action item (6.5) to allow time for Tremonton City to meet with Mr. Thompson, motion was seconded by Trustee Boyd Bingham; all members vote aye, motion passed.

6.6 Correction to September 24, 2025 agenda item (6.1) to add the correct quote document from Braegger & Sons Construction

Office Manager Jamie Williams brought to the attention of the board members a correction to a previous agenda item. She explained that during the last meeting, a bid award was made for Braeggers for the new connection fees, but the estimate document provided in the packet was incorrect.

Williams wanted to put on record that the corrected bid was being presented, and she asked the board members to take action on it. *Trustee DJ Bott made a motion to accept the corrected bid, motion was seconded by Trustee Tim Munns; all members vote aye, motion passed.*

7- DISCUSSION

Thatcher Hills Water Company

Trustees Kelly Lemmon and Joseph Summers, along with General Manager Chance Baxter, met with Scott Waldron from Thatcher Hills Water Company and one Thatcher Hills board member. The meeting resulted in several action items, including:

- Bear River Water Conservancy District will evaluate the cost of providing operational support services to Thatcher Hills, which would include on-call services to present to an upcoming Thatcher Hills Board meeting.
- The state is requiring Thatcher Hills to have a secondary source of water, and three options are being considered:
 - Drilling a new well
 - Connecting to the District's line
 - Connecting to West Corinne's water line

Thatcher Hills would like to explore the possibility of partnering with the District on a feasibility study that includes all three options for the secondary water source.

The meeting was an opportunity for the District and Thatcher Hills to discuss potential collaboration and explore options for meeting the state's requirement for a secondary water source. The District will evaluate the cost of providing operational support services and consider partnering with Thatcher Hills on a feasibility study to determine the best option for the secondary water source.

Board Member Training

Office Manager Jamie Williams discussed the upcoming Local District Board Member Training and Open and Public Meetings Training provided by the County on November 13th at 5:30 PM, Williams stated that she would send a link for online training for board members that would not be able to attend.

PUBLIC COMMENT

No public comment

TRUSTEES REPORT

Lesley Kendrick

No report

Lyle Holmgren

Financial Chairman Lyle Holmgren asked the board and staff if they were still interested in getting together for a social event. Board members discussed possibilities and the consensus was to have a dinner in November or December. Office Manager Jamie Williams said she would find a restaurant, make arrangements and send out invites.

Riggin Holmgren

No report

Mike Braegger

Absent

Brodie Calder

No report

Kelly Lemmon

Trustee Kelly Lemmon reported on a meeting he attended the previous night, which discussed taxes and a potential path for private water companies to receive funding from the state.

Joe Summers

No report

DJ Bott

No report

Tim Munns

No report

Jay Capener

No report

ADJOURNMENT

Trustee Tim Munns made a motion to adjourn, motion seconded by Financial Chairman Lyle Holmgren; all members vote aye, motion passed.