



Annual Board Meeting Minutes

Wednesday June 24, 2026 @ 7:00 PM
102 West Forest Street
Brigham City, UT 84302

In Attendance: Jay Capener, Chairman
Mike Braegger
Brian Shaffer
Ryan Smith
Boyd Bingham
Lesley Kendrick, Vice-Chairman
Riggin Holmgren
Kelly Lemmon
Tim Munns

Staff: Chance Baxter, General Manager
Jamie Williams, Office Manager

Presenters: Anderson Family Representative
Vernon Mortensen, Sunset Vista Subdivision
Ammon Boswell, Natural Resources Conservation Service (NRCS)
Derek Oyler, Brigham City Corporation

1- WELCOME

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

2- INVOCATION & PLEDGE OF ALLEGIANCE

Trustee Mike Braegger

3- DECLARATION OF CONFLICTS OF INTEREST

No conflicts declared

4- CONSENT AGENDA

A- Adoption of Agenda

B- Approval of Minutes – May 27, 2026

Trustee Tim Munns made a motion to approve items A-B on the consent agenda, motion was seconded by Mike Braegger; all members vote aye, motion passed.

5- APPROVAL OF FINANCIAL STATEMENTS – MAY 2026

Financial Chairman Lyle Holmgren was absent from the meeting. In his absence, Chance Baxter read Holmgren's report to the board. Holmgren had sent a text message earlier that morning, stating that he had reviewed the finances and found everything to be in order. Trustee Kelly Lemmon had a question regarding a JUB invoice and the PL566; Trustee Brian Shaffer had a question on payment of a connection fee, both questions were answered by confirming that these payments are pass-through transactions, where the district pays vendors or contractors but is reimbursed either by federal grants (in the case of PL566) or by customer connection fees (in the case of Deweyville), and the district does not bear the final cost, both Lemmon and Shaffer indicated they were satisfied with the clarifications. Trustee Shaffer made a motion to approve the May 2026 financial statements, motion was seconded by Trustee Riggin Holmgren; all members vote aye, motion passed.

6- ACTION ITEMS

A- Anderson Development (200 units in Bothwell) 1 year Extension – Hal Anderson

Hal Anderson, a representative of the Anderson Development, addressed the board to request a one-year extension on their will-serve letter for a proposed development in Bothwell. He explained that the original will-serve letter, granted a year ago, was expiring and that more time was needed due to ongoing challenges in coordinating interested parties and achieving the necessary economies of scale to move the project forward. He noted that while there had been some progress and continued interest, the project was still not ready to proceed.

The board confirmed that all original conditions and contingencies from the previous will-serve letter would remain in effect, and that no impact fees or down payments had been made by the Anderson family. It was also clarified that water is allocated on a first-come, first-served basis, so the water is not reserved until payment is received. The required infrastructure for the project is engineered and shovel-ready, but construction will not begin until there are firm commitments.

After discussion, and confirmation that nothing had changed regarding water availability from the previous will serve letter, Trustee Mike Braegger made a motion to approve a one-year extension of the will-serve letter for the Anderson family development, with all original requirements still applying, motion seconded by Trustee Kelly Lemmon; all members vote aye, motion passed.

B- Sunset Vista Subdivision (12 units near Deweyville), consideration of approval of Water Service Petition and Will Serve Letter to Box Elder County – Vernon Mortensen

Vernon Mortensen presented a request to the board for a will-serve letter for the proposed Sunset Vista Subdivision, located north of Deweyville in unincorporated Box Elder County. The development consists of approximately 12 single-family lots, each over half an acre, on land not well suited for agriculture. Vernon noted that the property is within the district's service area and adjacent to an existing district pump house, which already has 12-inch main lines and sufficient water pressure, making water service technically feasible.

Vernon explained that he had approached Deweyville City to request annexation and water service, but Deweyville declined the annexation request. Although the city indicated they had sufficient water, they did not have zoning that would allow for the proposed half-acre lots, and ultimately the city council and residents did not support the annexation or rezoning. As a result, Deweyville will not provide services, and the developer is seeking water directly from the district.

During the discussion, the board addressed several issues, including the district's general preference for wholesale rather than retail water service. General Manager Chance Baxter clarified that the district's water supplies and system capacity are more than sufficient to serve the proposed development, referencing previous feasibility studies and engineering assessments.

Baxter noted that he does not like seeing the district in the position of providing retail water service in these situations, as it can be contentious. However, he explained that district policy allows individuals or developers to petition the district for water service if they are denied by the nearest municipality. In this case, Vernon is following the established policy by coming to the district after Deweyville declined annexation and service.

After discussion, Trustee Mike Braegger made a motion to issue a conditional will-serve letter for one year, contingent upon the developer obtaining the necessary zoning and county approvals with the understanding that the developer would need to return to the board for final approval as the project progresses and as infrastructure plans are finalized, motion was seconded by Trustee Lesley Kendrick; all members vote aye, motion passed.

C- Lower Bear River Watershed Plan Agreement – Ammon Boswell, NRCS

Ammon Boswell, Watershed Program Manager for the NRCS, presented an updated agreement regarding the Lower Bear River Watershed Plan (PL 566). He explained that the revised agreement now lists all nine project sponsors, rather than just the district, addressing a previous board concern about being the sole sponsor. Ammon clarified that signing the agreement does not create a current financial or operational obligation for the district; instead, it outlines the terms, percentages, and expectations for future project phases, including operation and maintenance over a 100-year project life.

He emphasized that specific financial commitments and detailed arrangements would be addressed in separate agreements before any construction or use of funds. Ammon also provided examples of potential future projects, such as canal piping and levee improvements, and explained that most projects would be cost-shared at a 75/25% rate between NRCS and local partners. He noted that the district, as the lead sponsor, would act as a pass-through entity for funding and agreements, with individual sponsors responsible for their portions. The board was satisfied with the clarifications, a motion was made by Trustee Tim Munns to sign the presented updated agreement with the NRCS regarding the Lower Bear River Watershed Plan (PL 566), motion was seconded by Vice-Chairman Lesley Kendrick; all members vote aye, motion passed.

7- PRESENTATION

Brigham City Wholesale Water Presentation and Discussion – Derek Oyler, City Manager

Brigham City Manager Derek Oyler appeared before the Board to present a proposal for Brigham City to purchase wholesale water from the Bear River Water Conservancy District's new Harper Ward well. Brigham City is seeking 1.2 million gallons per day (approximately 3.68 acre-feet per day) to support over 3,000 new residential units anticipated to come online within the next five to ten years.

Mr. Oyler outlined that Brigham City is requesting a five-year contract, with an option to renew for an additional five years. As part of the proposal, the city requested a 50% reduction in the District's standard wholesale rate for the duration of this short-term agreement. He explained that while Brigham City has sufficient water rights, the cost and timing of developing new sources are significant challenges. The requested water would provide critical redundancy for Brigham City's system, which has recently experienced failures in both spring sources and wells. The agreement would also allow for mutual emergency backup, enabling Brigham City to supply water to the District if needed.

General Manager Chance Baxter confirmed that the Harper Ward system has sufficient capacity to meet Brigham City's request, even after accounting for existing and potential future commitments to other communities such as West Corinne and Corinne City. He noted that a booster station would be required to deliver the requested volume due to a pressure difference between the systems. Both parties would need to invest in engineering to determine the optimal location and design for the pump station. Baxter indicated that the District would likely own the booster station, as it would benefit multiple communities in the future.

During the discussion, several board members raised concerns about the precedent of offering a 50% rate reduction, particularly in light of other wholesale customers, such as West Corinne, who have paid the full rate. Some board members suggested maintaining the standard rate and instead providing Brigham City with a separate project contribution or reimbursement to help fund their water projects. Oyler responded that the 50% reduction request was based on Brigham City's financial analysis and the high cost of developing new sources. He indicated that Brigham City would be willing to pay the full rate if the District could provide a reimbursement or project funding equivalent to 50% of the annual payment, to be used for Brigham City water projects.

The Board discussed the importance of maintaining transparency and consistency in rate-setting, as well as ensuring the District's financial sustainability. There was general support for regional cooperation and

redundancy, provided that any arrangement is fair to all customers and maintains the District's standard wholesale rate, with any value returned to Brigham City clearly documented as a separate contribution.

No formal action was taken on the proposal. The Board gave consensus direction to General Manager Chance Baxter to continue discussions and negotiations with Brigham City, including further engineering and financial analysis, and to report back to the Board as the process moves forward.

A WHOLESALE WATER PARTNERSHIP

Securing Brigham City's Water Future

Purchasing wholesale water from the Bear River Water Conservancy District to strengthen long-term supply, reliability, and regional collaboration

Brigham City, Utah · Box Elder County

■ WHY THIS MATTERS

Planning today for a reliable water supply

Brigham City delivers culinary water to a growing community from its own wells and springs. Wholesale supply from a regional partner adds resilience and headroom for the decades ahead.

23,000

Current Residents served

6,800

Approximate service connections

19 M

gallons / day peak production

3,000

Residential units entitled

Brigham City Corporation - Bear River Water Conservancy District

02

Bear River Water Conservancy District

Conserve, develop, and deliver water for the region

■ **Public mission**

Created by court decree in 1988 under the Utah Water Conservancy Act to conserve water and water rights for Box Elder County.

■ **Municipal & industrial supply**

Provides both retail and wholesale water across systems including Tremonton, Riverside North-Garland, Ukon, Collinston, South Willard, etc.

■ **Wholesale at scale**

Wholesale customers receive bulk water by the acre-foot — the model Brigham City would draw on.

■ **Regional planning role**

Co-leading the Box Elder Countywide Water Master Plan to align supply, growth, and infrastructure.

Brigham City Corporation - Bear River Water Conservancy District

03

RATES & TERMS

Wholesale pricing

The District's wholesale rate per acre-foot annually. Recent budgets set a roughly 3% yearly increase, giving Brigham City a clear basis for long-term planning.

\$465

2024 rate / acre-foot

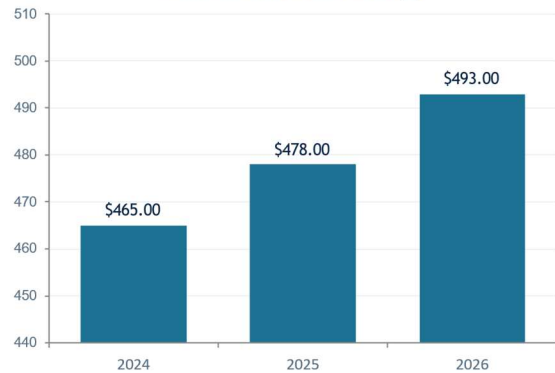
\$478

2025 rate / acre-foot

\$493

2026 rate / acre-foot

Wholesale Rate / Acre-Foot (\$)



REGIONAL CONTEXT

Part of a larger northern Utah water strategy

Bear River Development

State-authorized program to develop up to 220,000 acre-feet per year for northern Utah, with projected need pushed to 2050 or later thanks to conservation.

Countywide Water Master Plan

Box Elder County and the District are aligning supply, infrastructure, and growth — emphasizing source diversification and system reliability.

Shared infrastructure

Interties, storage upgrades, and transmission lines build redundancy that benefits every community in the basin, including Brigham City.

NEXT STEPS

Moving the partnership forward

- 1 Request: 1,200,000 gallons per day or 800 gallons per minute
3.68 acre ft or \$662,000 yearly
- 2 Proposal for terms: 5-10 year short-term agreement
Request for 50% reduction in wholesale rates during the term
- 3 Plan connections: 3,000 plus residential connections
- 4 Working together: Benefit to the Conservancy District and Brigham City
redundancy, emergency connections,

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8- CLOSED SESSION

Board determined that a closed session was not needed, no closed session was held.

9- PUBLIC COMMENT

No public comments

10- TRUSTEES REPORT

Lesley Kendrick

No report

Mike Braegger

No report

Riggin Holmgren

No report

Brian Shaffer

No report

Kelly Lemmon

No report

Ryan Smith

No report

Tim Munns

No report

Boyd Bingham

No report

Jay Capener

Chairman Jay Capener reported that the Bear River Canal Company had been able to use natural water flow longer than expected this spring, which was a positive outcome. He noted that the canal company recently switched to drawing from Bear Lake. Chairman Capener also mentioned attending meetings with Idaho officials where water availability and drought conditions were discussed, and he remarked that the County is fortunate compared to other areas currently facing water shortages.

11- ADJOURNMENT

Trustee Tim Munns made a motion to adjourn; motion seconded by Trustee Riggan Holmgren; all members vote aye. Meeting adjourned.