

MINUTES OF THE MILFORD VALLEY DISTRIBUTION SYSTEM
ANNUAL MEETING
Milford City Hall, Milford, Utah
February 9, 2006

The meeting was called to order at 1:10 P.M. with Mr. Mike Yardley conducting. He welcomed all present. Mr. Yardley then asked Mr. John Larsen, Division of Water Rights, to read minutes of the 2005 Annual Meeting. Mr. Robert Christiansen noted that paragraph six (6), related to a proposed list of water users, was inaccurate. At Mr. Sim's suggestion the entire paragraph was stricken. Mr. Christiansen moved and Mr. Arlan Mayer seconded that the minutes be approved following the correction. Vote was unanimous.

Mr. Yardley called for the commissioner's report. Mr. LaVar Davis presented the report, advising that there were no significant changes from the previous year. No acreage was over pumped. There were no changes at Circle 4. Good snow pack and spring rains improved reservoir and canal conditions, easing the drought. Mr. Davis referred to proposed changes in mapping. If his job demand remains about the same, he will stay. If it increases, he will ask to be released. Mr. Sim offered assurance that Mr. Davis' duties are not expected to change. Mr. Davis noted that his expenses for travel increased slightly. Mr. Tim Marshall offered a motion to accept the Commissioner's Report and to retain Mr. Davis as Commissioner. Mrs. April McKeon seconded. All in favor.

Mr. Yardley yielded time to Mr. Lee Sim, DWR assistant state engineer. Mr. Sim explained that his department does not have the time to continue mapping the area. DWR representatives met with the local board in December and again in January to discuss alternatives. One option was to meter. Another was for the water users to hire an engineer to take over the mapping. At the request of the board, and with the cooperation of DWR, Mrs. McKeon presented a two-year proposal. Expenses for 2006 include purchase of mapping software, a hand-held GPS, and Mrs. McKeon's engineering fee. Purchase of a computer capable of downloading maps from DWR web page will be a 2007 expense, in addition to the engineering fee. Mr. Joe Leko asked Mr. Sim if the State Engineer will agree to accept mapping if the pumpers go to this expense. Mr. Keith James asked if DWR is willing to help with funding as the pumpers ease into this system, especially since it is relieving Mr. John Larsen and Ms. Sharon Willie of the work. Mr. Sim said he would ask, but thought Mr. Olds would not want to set a precedent of subsidy. He advised the board to submit a written request to the State Engineer's Office. Mr. Robert Christiansen asked if the engineering proposal was an estimate, subject to change. Mrs. McKeon said it was a firm proposal. Mr. Robert Christiansen presented a motion to accept Mrs. McKeon's proposal. Mr. Keith James seconded. All in favor.

Mr. Yardley asked Mr. Sim to read the 2005 financial report. Beginning balance of the distribution fund was \$5,473.68. Receipts totaled \$4,815.82 and expenditures \$3,940.17 for an ending balance of \$6,349.33. There were four delinquent accounts totaling \$1,100.50, a portion of which may have been paid after December 31, 2005. Mr. David Christiansen moved and Mr.

Mitchell Dalton seconded acceptance of the 2005 financial report. All in favor.

The next item of business was setting the budget and assessment for 2006. Two line items were added to the budget worksheet to accommodate Mrs. McKeon's proposal: #12) Contractual expense and #13) Equipment and supplies. Mr. Robert Christiansen made a motion to set the budget at \$13,530.00 and assessment at \$10,500.00. Mr. Arlan Mayer seconded, all in favor.

The board of directors was discussed. Mr. Keith James presented a motion to sustain board members are as follows:

Keith James	Chairman
Mike Yardley	Board member
Scott Wiseman	Board member
Joe Leko	Board member
April McKeon	Board member

Mr. Joe Leko seconded. Vote was unanimous.

Items of discussion:

1. Mr. Warren Peterson noted that 2005 records indicated a 16.5% reduction in usage.
2. Mr. James added that the reduction included acres left idle through government programs and that those acres are now back in use.
3. Mr. Yardley asked for information regarding why monitoring of wells in the Beaver Valley was not included in the distribution system. Mr. Sim answered that it would be necessary for the board to send a written request to the State Engineer.
4. Mr. Sim reviewed in detail the Groundwater Management Plan as presented in the 2006 General Session of the Utah State Legislature. He noted that it passed in the House and is now in the Senate.
5. Mr. Sim reviewed in detail a brochure explaining enforcement procedures.

There being no further business, the meeting adjourned at 2:45 P.M.

Those attending the meeting:

Name	Representing
Lee Sim	Division of Water Rights - SLC
John Larsen	Division of Water Rights - SLC

Mike Yardley	Self
Kurt Vest	Division of Water Rights - Cedar City
Joe Leko	Green Diamond
LaVar Davis	Commissioner
April McKeon	McKeon Beef
Keith James	James Farm, Inc.
Ben James	James Farm, Inc/Gilmore Farm
Warren Petersen	Circle Four
Ron Wunderlich	Circle Four
Jim Webb	Circle Four
Dick Naruse	Naruse Farm
Haruichi Naruse	Naruse Farm
David Christiansen	Christiansen Farms
Scott Wiseman	L & W Ranch
Tim Marshall	Self
Robert Christiansen	Self
Russel Mayer	Self
Chad Dalton	Self
Mitchell Dalton	Self
Allan Mayer	Self
Arlan Mayer	Self
Nick Leko	Self
Mark Whitney	Self
Alice Smith	Secretary