

**MINUTES OF THE ANNUAL MEETING OF
PROVO RIVER DISTRIBUTION SYSTEM WATER USERS**

JANUARY 15, 2004

In compliance with Section 73-5-1 Utah Code Annotated, 1953 as amended, a meeting of the water users with representatives of the State Engineer was held to organize the Distribution System for the coming water distribution season at the Central Utah Water Conservancy District Offices.

Presiding: Lee H. Sim, P.E. Assistant State Engineer
Conducting: J. Edwin Ure, Chairman

Present:

Lee H. Sim, Asst. State Engineer	Utah Division of Water Rights
John J. Larsen	Utah Division of Water Rights
Gertrudys Adkins	Utah Division of Water Rights
Jim Riley	Utah Division of Water Rights
Ben Anderson	Utah Division of Water Rights
Rich Tullis	Central Utah Water Conservancy Dist.
J. Edwin Ure, Chairman	Group 1 - Kamas Valley Canals
Sherman A. Giles	Group 2 - Upper Provo, East Heber Valley
Harvey Van Wagoner, Vice-Chairman	Group 3 - Upper Provo, West Heber Valley
Bart Simons	Group 4 - Provo City Canals
Boyd Rollins	Group 5 - East Provo Canals
Jack Jones -Excused--	Group 6 - Provo Bench Canal
Jeff Bryant	Group 7 - Provo Reservoir Water Users Company
Keith Denos	Group 8 - Provo River Water Users Assn.
Farrell Knight	Group 9 - Upper Provo Individual Rights
Daryl Devey	Group 10 - Central Utah Water Conservancy Dist.
Stanley Roberts	- Provo River Commissioner
David Gordon	- Deputy Commissioner
Kent Griffith	Provo River Water Users Association
Brad Jorgensen	Provo City

Chairman Ure called the meeting to order at 1:00 p.m.

Assistant State Engineer Sim directed Chairman Ure to conduct the meeting.

Hearing of the 2003 Minutes

A Motion to change the wording from Commissioner Knight to Director Knight on Annual meeting minutes of January 9, page 3 was made by Director Devey, seconded by Director Bryant and passed unanimously.

A Motion to accept the minutes as sent out by mail rather than read them here was made by Director Van Wagoner, seconded by Director Simons, passed unanimously.

Hearing of the 2003 Commissioner's Report

Director Roberts called on his Deputy Director Giles to make a report. Director Giles indicated that last year was another very dry year. Started out at about 50% normal. In March the weather stayed cooler until the last of May and then the water came down in a hurry. The river peaked about the 28th of May. About June 23 in the upper valley we went from 12th class to 1st class. In July we were at 50% and then went to 25% about August 25th. You don't do much irrigating with 25%, but we had a few storms during the summer. The crops in the upper valleys looked pretty good and the pastures stayed fairly green all fall. The sprinkler system in Heber valley and the purchase of water from Jordanelle made it possible to cut a third crop of hay in Heber Valley. The Kamas Valley was able to harvest a 2nd crop of hay. He stated that the Jordanelle Reservoir has made a big difference in the Provo River to the upper valleys.

Commissioner Roberts stated that this year was about the same as last, however, it stayed rather cool up to the last two weeks in May. It then became quite warm and as a result it made the runoff more efficient. Even with not much difference in snow pack the runoff produced a better yield. The river peaked on May 28th with a flow in excess of 1200 cfs. A year ago the Association was not able to receive any water and this year under their rights 4700 acre feet was stored. Deliveries in Utah Valley from the river were as follows: April 15 to June 15 at 100 percent of class A rights, June 16 to July 15 at 70 percent, July 16 to August 31 at 50 percent and from September 1 on at 25 percent.

We had repair work done on Deer Creek Dam which necessitated we keep the water as low as possible. This was accomplished by withholding part of that runoff in Jordanelle that belonged to the lower users and kept the flow at a minimum between Jordanelle and Deer Creek. Part of the delivery to CUP customers was made out of Deer Creek. This resulted in a deficit of some 15,000 acre feet which has been partially paid back and will be completely paid back sometime this month.

As a result, Deer Creek went down to an elevation of 5,361.22 feet on October 26 with a content of 46,656 feet. It happened that this low point coincided with when the excavation was at its maximum depth of 95 feet. Then the reservoir started to fill as they began filling the hole back up. With everybody's cooperation, we were able to meet the demands placed on the system.

Again this year, because of the drought conditions, with low flow still supplying water for the June Succor, the carp by the thousands migrated up the river and refused to go back to the lake. Through the cooperation of several agencies and Provo City, several ton of the carp were taken out of the river, put in dump trucks and hauled away. They started at the KOA Campground on Geneva road and pushed the carp downstream where there was still some water in the river and then put a barrier across the river so the carp couldn't come back up.

Last year we talked about installing a real time gauge on the Washington South Kamas Canal. We had difficulty getting permission to do that. However, permission was eventually obtained and the equipment has been purchased with the help of Central Utah and will be installed this year, 2004.

Commissioner Roberts thanked everyone for their cooperation on the system.

A Motion to accept the report was made by Director Van Wagoner, seconded by Director Devey and passed unanimously.

Reviewing and concerns or comments related to the commissioner's work for 2003.

Commissioner Ure stated that he thought Commissioner Roberts has done a real good job .

Director Van Wagoner said he had a problem but Commissioner Roberts got right on it and it was resolved in just a few days.

Director Giles stated he remembers when Commissioner Wentz was on the system and understood it very well. The three Commissioners after him had only a partial knowledge of the system. Commissioner Roberts has been there thirty years and also understands the system. I appreciate his work.

Commissioner Ure stated he knew there were some problems with the record keeping and requested further comment. (It is noted that a special meeting of the Directors was held on November 19, 2003 and a committee appointed to address any concerns on the distribution system. That committee met on December 5, 2003 and December 18, 2003.)

Assistant State Engineer Sims requested someone on the committee summarize what took place in the committee meetings held in December, 2003.

Director Devey indicated that after the full board met, the committee met twice to discuss concerns and ways to improve the record keeping of the Commissioner. Some of the findings of the committee were:

Due to the increased work load of the Commissioner caused by new change applications, it become a real difficult thing for the Commissioner to keep up on. The new delivery system for Wasatch County has also added to his work load.

Another idea put forward was to have a secretary or someone to assist him in data entry. The Board acted and that person, for the time being, is David Gordon. He will work on data entry as well as function as secretary for the board and be a Deputy Commissioner as well.

The committee also had long discussions on new technology, including data bases, a laptop computer, docking stations and a laser printer that could assist Stan in his job. A recommendation has since been made to the Board to purchase some of these items.

The committee also thought it would be good to have an office outside of his home. For a one year period it was decided that the office would be at the CUWCD. Office space has been set aside for Commissioner Roberts and David Gordon to work in. Hopefully that will assist him as he will have access to the internet, a phone system and other equipment that will help him publish his report.

Director Devey said it will be an ongoing process. The committee will meet again later to assess how the Commissioner is doing and decide how it can make the system better as the year goes on. Hopefully the reporting can get to what we want and also get the information, at least to start with, entered into the state database so that it can be accessed by anyone.

Assistant State Engineer Sim asked if the reason for only 1 year lease was to evaluate to see how that goes.

Director Devey responded. We don't want to have the perception that the Commissioner is working just for the CUWCD. He is working for all of the water users. The committee is also looking to see if there is another cost effective place where Stan could have an office and still do the same thing. The CUWCD has offered this office space for \$200 a month. After the one year lease the cost may go up. At that time the board will review and decide what to do.

Director Devey also stated that Commissioner Roberts still plans to work part time out of his home and the committee recommended that he immerse himself here in the office as much as possible. That is one of the reasons we recommended a laptop and docking stations. Then he can move from either office and have all the data available to him wherever he is. We will try it on a trial bases and see how things go.

Director Rollins complimented Commissioner Roberts for doing such a good job, thought the committee cooperated very well and the decision made is a good move.

A Motion to accept the Committee Report made by Director Rollins, seconded by Director Giles and passed unanimously.

Hearing of the 2003 Financial Report

Assistant State Engineer Sim told the committee that the last couple of years the state was forced into a data base change, which caught up with distribution last year and has caused some real concerns and challenges. That, along with some human error, as noted on this report, we will need to explain corrections that will have to be made and we apologize for that. We are not sure how we could have avoided it. With that comment, we'll jump into the report.

John Larsen representing Water Rights read the report for the Provo River first. On the 2003 Financial Statement he indicated that the ending balance of \$54,626.23 was a decrease of about \$4,600.

He noted on the 2003 Budget Expenditures that on the salaries, we shorted Commissioner Roberts, Deputy Commissioner Giles and Deputy Commissioner Gordon all a little money. We apologize for that and we will make sure that is rectified this year. (The salary raises for 2003 were not paid)

He stated that the Miscellaneous Expense listed at the bottom as a negative expense of \$1,407.88 included money expended for the Hailstone gauging station.

Commissioner Roberts indicated that that may or not be so as he was unable to find an entry for payment towards the Hailstone gauging station. He then asked Lee Sim if the transfer of money from the LCD account to the Provo River Distribution account had been made.

Assistant State Engineer Sim said that they didn't know whether or not that transfer was made.

Commissioner Roberts said he doubted that it had been.

Director Denos said he thought that it may be covered in the Contractual Services. Item # 13 shows \$4,400 budgeted but actually \$2,500 expended.

John Larsen said they would check into that. The total budgeted was \$141,200.00 with \$130,709.08 expended, leaving an item balance of \$10,490.92. The total 2003 assessment for this system was \$132,000.00.

Assistant State Engineer Sim indicated that some systems showed that they had credits where they really didn't and are trying to work through that.

John Larsen referred the group to the pages that showed the accounts delinquent. A discussion was held concerning those listed. Especially the RRD Investment Co. which is two years in delinquency and is one that needs to be followed up on as well as Ennis Gibbs.

Commissioner Roberts stated that he thinks we have a wrong address. Gardner and Associates, to his knowledge, are no longer in business and that he could help follow up on that one.

John Larsen said Gines is two years in arrears.

The Gines account and the Murri account may be duplicates. Director Knight had called Lee about them.

Assistant State Engineer Sim acknowledged that call.

John Larsen said the Gines and Murri accounts go back about 5 years and we will try to get that rectified.

The unknown owner was also discussed. The daughter of the previous owner had called and said that the property changed hands several times and she didn't know who the new owner is. The address was a Post Office box in Kamas, which makes it difficult to track down.

John Larsen indicated that this was a one year delinquency as well as the Extension and Sunrise Companies.

Commissioner Roberts said that the Charleston Irrigation Co. and the Extension Irrigation Co. changed bookkeepers and when the bill went to the previous bookkeeper, instead of forwarding the letter, he just checked "No Longer Here" and sent it back. Commissioner Roberts said that after he ran it down, those bills have since been given to those two companies and he is sure they will take care of it.

John Larsen said that last year they set up an extra account for each of those irrigation companies that have exchange and change applications in place. We have an account for the main flow of the river and we have an account for the exchange wells. These are reflected in the report on the second page.

The other one that is of concern is Geneva Steel and, because of bankruptcy, we don't know what to do with that one.

Commissioner Roberts noted that the water right is there and eventually it will be purchased by someone. He made the suggestion to continue to add to that bill and whoever gets that water right will have a little bit extra to pay.

John Larsen indicated that most of these are small amounts. They are one year delinquencies and extra effort will be put into trying to collect those.

John Larsen asked if there were any questions on this part of the report before moving on. There were none.

John Larsen continued by reading the Lake Creek Daniel System statement. (See exhibit B)

A discussion followed concerning the delinquent accounts and Commissioner Roberts agreed to look into the larger delinquent accounts.

A **Motion** to accept the reports was made by Director Devey and seconded by Director Van Wagoner. It was passed unanimously.

PREPAIRING A BUDGET

Commissioner Roberts presented two proposed budgets, A and C, and explained the difference between the two was the way in which the back pay for salaries was made up.

After a discussion, Director Denos made a **Motion** that the back pay for 2003 owed as follows: \$1,491 to Commissioner Roberts, \$725 to Deputy Giles, and \$65 to Deputy Gordon, with associated costs be entered as separate line item in the budget for 2004.

The motion was seconded by Director Van Wagoner and passed unanimously.

After reducing travel expenses for Commissioner Roberts to \$ 1,500 ,
Director Devey made a **Motion** to set the budget at \$159,000.00 , seconded by Director Denos and
passed unanimously. (See 2004 budget attached)

SETTING THE DISTRIBUTION SYSTEM ASSESSMENTS

After a discussion about the assessments, Director Rollins made a **Motion** to set the assessment at
\$159,000.00. It was seconded by Director Bryant and passed unanimously.

After discussion Director Harvey made a **Motion** to transfer \$2000 from the LCD account to the main
Provo River Distribution System Trust Fund. Seconded by Director Simons. Passed unanimously.

SELECTING NEW DISTRIBUTION SYSTEM CHAIRMAN AND COMMITTEE MEMBERS

It was noted that in the meeting held January 13, 2004, the Board chose Director Ed Ure to remain as
Chairman and Director Harvey Van Wagoner to remain as Vice-Chairman and appointed David Gordon
as Secretary .

It was also noted that Jeff Bryant has replaced Russell Brown and Keith Denos has replaced Jonathan
Clegg as Directors on the Board.

Director Bryant made **Motion** to adjourn the meeting, seconded by Director Devey, and passed
Unanimously. Time 2:52 p.m.