

MINUTES OF THE REGULAR MEETING
OF THE COMMISSIONERS OF THE
HEART MOUNTAIN IRRIGATION DISTRICT
MARCH 13, 2018

The March Regular Meeting of the Heart Mountain Irrigation District's (HMID) Board of Commissioners was held at the Heart Mountain Irrigation District office located at 1206 Road 18, Powell, Wyoming on Tuesday, March 13, 2018. Commissioners present: President Brian Duyck, Vice President Pat Nelson, Brad Ferguson Scott Hecht and Travis Jackson. Staff attendances: District Manager Randy Watts and Secretary/Treasurer Tyler Weckler with guest attendance by Attorney Mary Reed and JUB representative Brian Deter. The meeting was called to order at 8:55 a.m. by President Brian Duyck.

President Brian Duyck called for the reading of minutes from the Regular Meeting of Commissioners held on February 13, 2018. After review Vice President Pat Nelson made a motion to approve the minutes as amended. Commissioner Travis Jackson seconded the motion; motion passed.

President Brian Duyck called for the Treasurers report presented by Secretary/Treasurer Tyler Weckler. After the payment of the bills presented, the O&M checking account will have a balance of \$306,024.57. The New Equipment Money Market at Bank of Powell #...2439 has a balance of \$6,791.97; Money Market (MM) at Bank of Powell #...1233 has \$230,759.36; MM Bank of Powell #...2383 holds \$123,229.91. The MM at Pinnacle Bank #...5232 stands at \$301,870.07. Pinnacle bank MM #...5231 has \$204,790.66. Commissioner Travis Jackson made a motion to accept the treasurer's Report. Vice President Pat Nelson seconded the motion; motion passed.

President Brian Duyck called for the review of unpaid bills. Secretary/Treasurer Tyler Weckler presented the unpaid bill detail identifying February-March commitments at \$71,038.83. Commissioner Travis Jackson made a motion to authorize payment of unpaid bills as presented. Vice President Pat Nelson seconded the motion; motion passed.

President Brian Duyck called on District Manager Randy Watts to provide his managers' report. Mr. Watts began with introducing Brian Deter from JUB. He gave a brief overview of JUB Company and their experience in submitting applications through the Water Smart Program (WSP). Mr. Deter noted the WSP application success rate for JUB is at 100% of submittals. Mr. Deter discussed the WSP grant schedule compared with Wyoming Water Development Grants (WWDC) and was concerned with availability of the WSP grant this year. The Federal Government has not placed any new status for the grants availability and could be available next month and worst case scenario, next year.

If JUB was to do the grant, they will not request reimbursement until the applications grant funds are approved and available. If the grant is not approved, the fees for the application will be waived by JUB. Discussions were had on application submittal, timelines and possible delays with the Grant in conjunction with the WWDC funding and liner replacement schedule. The board discussed using the Polyurea coating as it could be used to repair the liner if the project was postponed due to the WSP application. The board consensus is to move ahead with JUB and coordinate further with them when the WSP comes available. Mr. Deter will call the District Manager when WSP dates are announced. The board thanked Mr. Deter and he left the meeting.

Mr. Watts continued and asked Professional Engineer (PE) from 406 Consulting, Lynn Stutzman, to update the board on the 5th and final enlargement petition edits with the State Engineer Office (SEO). Ms. Stutzman handed out a progress report for current work completed and is attached to these minutes. Ms. Stutzman also submitted an invoice with increased rates and discussed with the board this was a reflection of longer review times due to new engineering firm working on the tabulation and mapping edits. Ms. Stutzman was asked about a completion

timeline and it was estimated as being by September 2018. Ms. Stutzman noted communicating with EA for providing geo-referencing information for the billing and watertight conversion data which is estimated as being completed for the 2020 billing season. The Board thanked the PE for her time and she left the meeting.

District Manager continued with Nathan harder split of 36 acres and his request to put a 6' privacy fence along the Ralston Chute. The Board agreed they did not want a fence placed on the easement.

Mr. Watts continued with recommending a change to the By-Law election requirements, recommending and edit on acreage to fall in line with the county acreage statues for subdivisions. The board agreed to keep the election requirements as is. Mr. Watts began discussions on the M&I rates and a sample rate schedule derived from his discussions with the Bureau of Reclamation (BOR). Mr. Watts met with Carlie Ronca with the BOR and they acknowledge a separate interest bearing water rate is warranted for small acreages. He noted this rate would be a change within the BOR and HMID contract which could be conducted at the same time as other upcoming edits involving grazing leases and water right additions.

President Brian Duyck spoke about his FFA trip and topics that relate to current HMID discussions. President Brian Duyck noted a district in New Mexico owns water rights and sells water as a utility. Other districts also request a federal tax return 'Form F' to determine eligibility for subsidized water rates. Vice President Pat Nelson continued the M&I discussion and asked if HMID would actually need to amend the BOR contract wording. Further discussion on potential M&I organizational structure and evolving into management of subdivision delivery O&M. Vice President Pat Nelson commented on the district's current responsibility which ends at the headgate; Mr. Watts commented on scope of work involved with water plans, subdivisions, water right and customer issues are addressed past headgate. The board agreed to continue discussions on the M&I rates for subdivisions or small acreage landowners.

District Manager Randy Watts passed out final copies of the Rules & Regulations, By-Laws and employee handbook. The board of commissioners will look at these documents one more time this next month and will have review and comment at the next regular meeting of the commissioners.

Vice President Pat Nelson made a motion to go into Executive Session to discuss employee issues. Commissioner Travis Jackson seconded the motion; motion passed.

Commissioner Scott Hecht made a motion to come out of Executive Session. Vice President Pat Nelson Seconded the motion; motion passed.

Commissioner Travis Jackson continued the meeting with a Family Exemption question from Tony Jolovich. Mr. Jolovich wants to utilize a family exemption to exclude from water plan and transfer requirements. HMID Rules & Regulations do pertain to family exemptions, as long as it is in regards to irrigated lands. All non-assessed or irrigated lands are not affected by HMID Rules & Regulations regarding subdivisions.

Mr. Watts continued his managers' report by noting KC from KC Electric has not addressed the weed screen software. Mr. Watts asked to proceed with finding a replacement contractor. Board of Commissioners provided some alternative options and asked Mr. Watts to proceed with replacing the Weed Screen software contractor.

District Manager Randy Watts addressed WWDC project H41 as not receiving the correct parts and meters. Mr. Watts notified the engineer in October 2017 that some parts should be replaced and current inventory doesn't meet specks as well as extra inventory. This concern was not addressed and the District manager will be replacing these items. Vice President Pat Nelson asked the manager to discuss the options with WWDC.

Mr. Watts discussed two more approved WWDC projects, N. Alkali and Alkali Creek pick-ups. These projects will coincide with the Rattlesnake liner and the 5 year capital improvement schedule is being fulfilled without these projects. Mr. Watts noted burying part of H89 and 9NX under designed delivery as more of a priority. The board will wait on a clear path once the Rattlesnake Liner WSP grant is in the works and work completion

timeline is narrowed down. Commissioner Travis Jackson noted Natural Resource Conservation Services (NRCS) grant funding may be available and to look into it for 89 & R9N.

Mr. Watts briefed the Board on his attendance to the second small acreage meeting. Mr. Watts was asked by the attendees how to move forward; Mr. Watts said there needs to be some kind of funding or incentive to keep the attendees coming to these meetings.

The District Manager continued with a request from Dennis Anderson to run a water line from 4 Bay for livestock. This request pertains to areas not in the district boundaries and the Board of Commissioner did not approve this request.

Mr. Watts discussed the surface water 2 permit (SW-2) permits for a 1 acre expansion of the district. The commissioners do not want any SW-2 for new lands, or breaking out new ground. The Board asked Tyler Weckler to reference the prior minutes on this topic.

President Brian Duyck spoke about the State Ominous Water Bill. Congress is working on legislature that would streamline building of dams and increasing storage. President Brian Duyck noted drafting a presentation on general water practices, working with entities like University of Wyoming Extension office and having a district representative give presentations to the youth. President Brian Duyck also handed a letter on CFS and AF allotments to be reviewed and handed out with transfers and to landowners who do not understand allotments.

The 2019 HMID fee schedule was reviewed. Vice President Pat Nelson so move to leave the fees the way they are. Commissioner Travis Jackson seconded this motion. Discussions were had with one oppose. Motion passed three to one.

The Board of Commissioners will set the canal turn on date at the next regular meeting.

Commissioner Travis Jackson asked District Manager to take a look at a drop in the coming month.

Hearing no further business to come before the Board, President Brian Duyck adjourned the March 13, 2018 Regular Meeting of the Heart Mountain Irrigation District's Board of Commissioners at 2:30 pm.

RESPECTFULLY SUBMITTED,

Brian Duyck, Board President

ATTEST:

Tyler Weckler, Secretary/Treasurer