

**MINUTES OF AN ORIENTATION MEETING OF THE WEBER BASIN WATER  
CONSERVANCY DISTRICT BOARD OF TRUSTEES HELD MONDAY,  
JANUARY 30, 2023, 10:00 A.M., AT DISTRICT HEADQUARTERS**

Present:

Chairman Marlin K. Jensen  
Trustee . Jared Anderson  
Trustee Kym O. Buttschardt  
Trustee Randy B. Elliott  
Trustee Scott K. Jenkins  
Trustee Angie Osguthorpe  
Trustee Christopher F. Robinson  
Trustee Paul C. Summers

Excused:

Trustee Mark D. Anderson

Scott W. Paxman, General Manager/CEO  
Mike Malmborg, Legal Counsel  
Jody Williams, Legal Counsel

Brittney Bateman, Economics Planning Coordinator  
Calysta Bravo, Finance Manager  
Suzy Eppens, Contracts Administrator  
Darren Hess, Assistant General Manager  
Brad Nelson, Assistant General Manager  
Jon Parry, Assistant General Manager  
Kendall Searle, Administration Manager

Fred Philpot, Lewis & Young  
David Robinson, Lewis & Young

**I  
VIRTUAL TOUR OF VARIOUS PROJECTS**

Gen. Mgr. Paxman welcomed everyone and stated a virtual tour of a few projects will be presented as our outing was cancelled due to inclement weather. He invited AGM Nelson to present a few projects.

AGM Nelson presented the West Bountiful Meter Project. He stated 400 meters of 1,200 meters have been installed to date. Trustee Jenkins asked if it's shovel work or how each installation goes. AGM Nelson shared pictures of various installations and how each connection is different and said the crew is having to install in and around fiber and gas utilities which makes the project difficult at times.

AGM Nelson continued by showing the Fruit Height Culinary Pipeline Project. He stated there is approximately 4,300 LF of 24" PVC DR-18 & 4,300 LF of 18" PVC DR-18 of culinary water pipeline being installed to supply clean drinking water to residents. Gen. Mgr. Paxman said the project was concluded last winter, but minimal asphalt went in, so there will be a few change orders coming to the board for approval to finish out the repaving in the area. AGM Nelson showed pictures of our crew cutting into the pipe and Gen. Mgr. Paxman stated the old tar coated steel seen in the pictures has had many problems. Trustee Jenkins asked about the Tee installation shown in the pictures and asked how long that lasts. Gen. Mgr. Paxman stated that we have wax taped the joint and this helps to alleviate corrosion and increase longevity.

AGM Nelson presented the Hwy 89 Tank project and said the roof is halfway finished and a section of a wall is left to allow access until the end of the project when it will be sealed. He said the tank capacity is 5.8 million gallons Gen. Mgr. Paxman stated the board will visit the tank when it is complete. He said this tank should be very near leak proof and the seismic mitigation is very good. AGM Nelson stated Probuild has been great to work with and we are very pleased with how to project has progressed. AGM Nelson showed seismic fittings coming out from the tank.

AGM Nelson presented the Weber West Pump Station. He showed pictures of the interior and stated we are waiting for electrical components to arrive so we can finish the project, but it

should be in use by this irrigation season. Trustee J. Andersen asked if the plans include installation of a generator. Gen. Mgr. Paxman stated we do have plans to install a permanent backup generator for power at this location.

AGM Nelson presented the Weber South Pump Station on the Weber South Treatment Plan and said we will abandon and demolish the old station upon completion. This project cost just under 3 million dollars. He stated there was a leak from an untightened coupler and the contractor had to find and fix it at their expense.

Gen. Mgr. Paxman stated there are other major projects, but that is what we will review today. He said as the Great Salt Lake Trust is finalized we will be competing for water rights and we will see the price increases to 30-50 thousand dollars per acre-foot. The Trustees discussed inflation and its effects on the District. Trustee Jenkins commented on fiscal conservatism and how there is waste going to the lake. Trustee Summers commented how this competes with development and how it involves more than just conserving. Discussion continued among the Trustees about growth and development. Trustee Robinson made mention of Scottsdale and a development that was based on hauling water in and now there is no water to haul in, so these homes have to get water from a cistern.

## **II UAMPS CARBON FREE POWER PROJECT**

Gen. Mgr. Paxman welcomed AGM Hess to present. AGM Hess presented the District's participation in UAMPS and the Carbon Free Power Project (CFPP). AGM Hess stated that we have an "off-ramp" to this project currently if we feel we should get out. He presented an overview of the project which will be right outside of Idaho Falls by Idaho National Laboratory. Trustee Robinson asked how big the site is, and AGM Hess stated the facility is about 10 acres. AGM Hess continued to explain the project has been downsized, so now there are 6 modular reactors instead of 12. He said the reactors are 60ft tall with around a 20ft diameter.

AGM Hess said the CFPP is an LLC established by UAMPS (Utah Association of Municipal Power Systems) to use NuScale Power Technology. He stated project participants are a coalition of public power agencies in the Western U.S. with the goal of carbon free power delivered. AGM Hess said the forecast for the first module is 2029 with all modules online by November 2030. Gen. Mgr. Paxman commented this is one of the safest designs to date for nuclear power.. Trustee Robinson asked what happens to the spent fuel. AGM Hess said there is a plan in place to deal with the spent fuel, but he does not know the details. Trustee Robinson asked about steam to power the turbines and if there is water needed. AGM Hess said yes, the water heats up and they keep it at pressure, so the water does not boil, but that energy is harnessed. He continued to explain that each reactor is designed for 40+ years of life. Gen. Mgr. Paxman talked about water rights issues and how they have purchased some off the Snake River basin from surrounding farms. AGM Hess said we aren't sure how much water will be necessary at this stage as this is the first model that has been approved by NRC within the nation, it is the first and on the forefront.

AGM Hess stated this is a structured project and he reviewed the agreements associated with the project. Trustee Robinson asked about the proposed cost. AGM Hess replied UAMPS received the Class 3 Project Estimate (PCE) and they will continue to run studies and find numbers. He said price indexes have increased and the cost has increased. AGM Hess stated the ECT resulted in a Levelized Cost of Energy at about \$58/MWh which was the 2020 target price. He stated the new price is \$89/MWh. He said we do retain 100% reimbursement on the CFPP Termination for Failure of ECT and Class 2 PCE or COLA submittal (January 2024). AGM Hess stated that if we could guarantee this is the price, we would still be very interested in participating. AGM Hess explained due to this increase, UAMPS may withdraw from the project and be reimbursed for most of its out-of-pocket expenses.

AGM Hess said there will be a big push to see if more subscriptions for the project and be found and if this project is really going to come to fruition. Trustee Jenkins stated that Colorado is in the middle of suing Utah for transferable air quality and that if they can prove in court that our pollution is affecting their state negatively, they will try to shut down one of our power plants. He stated if that happens this project is more important to us. Trustee Summers commented that

the coal power plants that Rocky Mountain has are having a hard time getting coal to keep running. There was an agreement that an imperfect storm is coming related to power. More discussion continued regarding the inflationary cost of all power utilities.

Trustee Robinson asked how many megawatts the District uses per year, and how many we are slotted to receive from this project. AGM Hess stated the District's interest is 2 megawatts. Gen. Mgr. Paxman stated we feel that even at the 89 cents, it is reasonable looking at what the market might do in the future. AGM Hess stated the District's portion is around \$90,000.00 but NuScale would be on the hook to reimburse out of pocket for this amount. Chairman Jensen asked what fuels the financial stability of NuScale, and AGM Hess replied it is their investors that realize this is the way of the future. Gen. Mgr. Paxman also replied NuScale has many other projects developing in many other counties, so they do not have all their eggs in this particular basket.

Chairman Jensen asked how our membership is evidenced with UAMPS, and AGM Hess replied we are a contracted entity with UAMPS. AGM Hess summarized, UAMPS remains committed to the project, we need this. He said there will be a flurry of activity this year on this project. AGM Hess said the District recommendation is to stay in the project at the 2 megawatt portion. Chairman Jensen asked if we are comfortable with the 2 megawatt portion, to which AGM Hess replied we have other interest in some other UAMPS power projects, we are in the planning stages of 2 new power projects, so as of right now, we are comfortable with the 2 megawatt portion. Discussion continued about power options.

### **III WASATCH FRONT WATER EFFICIENCY STANDARDS**

Gen. Mgr. Paxman invited AGM Parry to present the Wasatch Front Water Efficiency Standards in conjunction with the new District 4 water rate. AGM Parry stated with the increasing competition securing water rights due to environmental concerns, some impacts will take place. He said we need to look at what we have and look at where we are going. AGM Parry continued by stating that we've been discussing the possibilities and that the state's conservation goals are what we must reach.

AGM Parry reported the 2015 statistics showed 150 gpd, if we look at the last several years we've been 250-270 gpd. He said at the meeting on Thursday we will be adopting District 4 Water Rates and that we will also ask that we have approval to adopt standards that will meet the state's goal of 175 gpd (in door and out door). He said the restrictions will include the amount of turf grass allowed and location of turf grass, but there are many variables so flexibility is needed within these standards.

Trustee Jenkins asked how we push these standards down to the retail companies when we wholesale the water. Gen. Mgr. Paxman stated that we have placed these standards in our contracts that they must adhere to as well.

Much discussion regarding the GSL and conservation issues took place. Gen. Mgr. Paxman stated this Thursday is our annual board meeting, and the election of the finance chair, clerk, and budget officer takes place as well as regular board meeting and public hearing. He said we have a handful of water sales to review as well. Gen. Mgr. Paxman said the hearing should be straight forward and he foresees no issues.

### **IV ADJOURNMENT**

There being no further business for discussion, meeting adjourned at 11:57 a.m.

Respectfully submitted,



Scott W. Paxman, General Manager / CEO