

**MINUTES OF COMBINED COMMISSION WORKING & REGULAR SESSION
MEETING HELD SEPTEMBER 23, 2012 BEGINNING AT 9:00 A.M. IN CONFERENCE
ROOM #1, IN DUCHESNE, UTAH**

Present

Commission Chairman Kirk J. Wood, Commissioner Ronald Winterton, Commissioner Kent R. Peatross, Deputy County Attorney Tyler Allred, Public Works Director Glen Murphy, and Commission Assistant BobbiJo Casper taking minutes of the meeting.

Public Works/Landfill Update

Director Murphy reported that the Road Department has four trucks hauling salt. The rest of the crew is getting the Rock Creek Road, Upper Red Creek, Lower Red Creek, and the road near Leo Brad's built back up due to flash floods. We are planning to have twenty (20) miles of roads paved this fall. We are short one (1) load of asphalt on the Strawberry River Road that should arrive today. Commissioner Peatross stated that he thinks drainage will be an issue on our new oil. We need speed limit signs put up and suggested posting it 35 Miles Per Hour (MPH) and warning signs around the bends.

Director Murphy also reported that he is looking into a new radio program which is sixteen thousand dollars (\$16,000) to get new equipment, but he feels it's needed.

Consideration Of An Amendment To Duchesne County's PCIF Capital Improvements List

Uintah Basin Association of Governments Director Laurie Brummond joined the meeting at 9:26 A.M...

Ms. Brummond stated that she needs information on the Justice Center Expansion Project in order to complete the application to add this project to the PCIF Improvements List. She also needed to know what amount will be paid by the State of Utah. Commissioner Peatross stated that he feels their application to CIB for 1.5 million dollars is strong. According to Allan Lundsford, they are going to apply for 4.2 million dollars to pay us back. They will contact Mr. Lundsford to confirm this information and get the application completed. The county is paying 1 million dollars, five hundred thousand from Revitalization Funds, one million dollar grant, and the remaining loan at an interest rate of 1.5 percent.

Consideration Of The Transportation Capital Improvements List

Ms. Brummond presented a draft of the CIB Consolidated Local Capital Improvement List with the Justice Center Expansion project added to it. Commissioner Peatross stated that this is due to an emergency change. *Commissioner Wood motioned to add the Justice Center Expansion Project to the 2012 CIB List. Commissioner Peatross seconded the motion. All commissioners voted aye and the motion passed.*

Consideration Of Vouchers

Deputy Clerk Auditor Connie Sweat joined the meeting at 9:57 A.M...

The commission reviewed vouchers # 126010 through 126064 dated September 23, 2013, in the amount one hundred eighty one thousand one hundred ninety nine dollars and one cent (\$181,199.01) as presented by the Clerk Auditor's Office. *Commissioner Wood motioned to approve the vouchers as presented by the Clerk Auditor's Office. Commissioner Peatross seconded the motion. All commissioners voted aye and the motion passed.*

Consideration Of A Business License Application For Denver T. Bell

Deputy Clerk Sweat stated that this application is for a worker at Sam Fabrizio's logging company who needs a license for insurance purposes. The next application is for his son who also works for Sam. *Commissioner Wood motioned to approve the business license application as presented by the Clerk Auditor's Office. Commissioner Peatross seconded the motion. All commissioners voted aye and the motion passed.*

Consideration Of A Business License Application For Denver V. Bell

Commissioner Wood motioned to approve the business license application as presented by the Clerk Auditor's Office. Commissioner Peatross seconded the motion. All commissioners voted aye and the motion passed.

Consideration Of A Draft Letter To The U.S. Fish & Wildlife Service

County/Community Planning Administrator Mike Hyde joined the meeting at 10:14 A.M...

Administrator Hyde stated that this is a draft letter of our comments relating to the U.S. Fish and Wildlife Service proposals to list the Graham's beardtongue and the White

River beardtongue as threatened species. We list the reasons for our objection and the first one being that this is proposed as a result of a behind closed doors agreement the Obama Administration's Justice Department reached with special interest group who are grasping at anything they can to derail plans to develop the oil shale and tar sands resources. These proposals are not consistent with Duchesne County General Plan policies for the subject lands. We have until October 7th to get our comments in. There is pretty strong language that he would like to the commission to review. Both Chairman Winterton and Commissioner Peatross agreed that the language is fine and appropriate. Commissioner Wood requested that this be back on the agenda next week. Administrator Hyde asked that all suggested changes be given to him before Monday. *This item was postponed by general consent.*

Consideration Of Resolution No. 13-16, A Resolution Approving Memorandum Of Understanding Between Duchesne County And The Duchesne County Water Conservancy District Related To Funding Of Duchesne County SSD#3 To Allow Mineral Lease Revenues To Be Directed To The Conservancy District And Related Matters

Commissioner Peatross stated that we discussed only committing funds to the district for a short time with Duchesne County Water Conservancy District Manager Scott Wilson. We need to determine if we are okay with this only being with the district and suggested that this be re-evaluated and renegotiated in five years to see if the water district is in a position to pick up more of the capacity cost or if SSD#3 needs to continue at the same level of participation. The intent is there, but there isn't a commitment making sure it happens. Chairman Winterton stated that they may need to make the county's intentions limited and spell it out. Once we allocate the money to the district, we are out of it. The contract will be between SSD #3 and the DCWCD. Commissioner Wood stated that it's all up in the air; it's all based on projections. Commissioner Peatross suggested that Attorney Allred review the bylaws of SSD #3 so that we can add members to the board and extend powers.

RESOLUTION NO. 13-16

A RESOLUTION APPROVING MEMORANDUM OF UNDERSTANDING BETWEEN THE COUNTY AND THE DUCHESNE COUNTY WATER CONSERVANCY DISTRICT RELATED TO FUNDING OF DUCHESNE COUNTY SSD#3 TO ALLOW MINERAL LEASE REVENUES TO BE DIRECTED TO THE CONSERVANCY DISTRICT AND RELATED MATTERS

This memorandum of understanding is made and entered into on this 24th day of September, 2013 by and between the Duchesne County Water Conservancy District (District), and Duchesne County (County).

WHEREAS, the District proposes to construct a water transmission line, commonly known as the "Victory Pipeline" from the Duchesne Valley water treatment plant operated by the Central Utah Water Conservancy District adjacent to the Starvation Reservoir, near the City of Duchesne, Utah, to the greater Roosevelt City area; and

WHEREAS, the County acknowledges and finds that providing water to citizens is a traditional governmental service and the Victory Pipeline will be a public facility; and

WHEREAS, the District is designing and sizing the Victory Pipeline with sufficient capacity to meet the anticipated water needs for the East Duchesne Water District, the Johnson Water District, the Town of Myton, the Cedarview/Montwell Special Service District, the Neola Water Improvement District, Roosevelt City, and the Ballard Water District in Uintah, County (collectively, the "Retailing Public Bodies"), and surrounding areas; and

WHEREAS, the District has already entered into letters of intent with each of the foregoing Retailing Public Bodies; and

WHEREAS, the Victory Pipeline is being designed and sized with more capacity than the foregoing Retailing Public Bodies require at this time; and

WHEREAS, the District has informed the County of the need to fund the extra capacity in the Victory Pipeline, until such time that the Retailing Public Bodies shall need such extra capacity; and

WHEREAS, the County believes it is in the best interests of the County and in particular the citizens in the eastern portion of the County for the Victory Pipeline to be sized and constructed with more capacity than the Retailing Public Bodies need at this time; and

WHEREAS, the County is agreeable to present a plan and take steps that would enable the excess capacity in the Victory Pipeline to be purchased until such time that the Retailing Public Bodies or similar entities shall require the extra capacity; and

WHEREAS, the County has called a public hearing and provided notice of its intention to extend the powers of the Duchesne County Special Service District No. 3 (SSD #3), such that the SSD #3 will have the power of "receiving federal mineral lease funds under Title 59, Chapter 21, Mineral Lease Funds, and expending those

funds to provide construction and maintenance of public facilities, traditional governmental services, and planning, as a means for mitigating impacts from extractive mineral industries,” which power would enable SSD #3 to receive mineral lease revenues and expend them on public facilities and traditional governmental services, such as the Victory Pipeline; and

WHEREAS, the County Commission, as a matter of Utah Law, serves as the governing body of SSD #3, despite the fact that the County Commission has created and appointed an Administrative Control Board; and

WHEREAS, the County desires to express its intention to help fund the excess capacity in the Victory Pipeline, provided the District expresses its willingness to take certain steps to make the operation and maintenance of the Victory Pipeline self-sustaining.

NOW THEREFORE, based on the mutual promises herein, the undersigned parties agree as follows:

COUNTY INTENTIONS

1. The County agrees to call a public hearing and go through the public process to extend the power of SSD #3 to receive and use mineral lease funds for public facilities and traditional public services for mitigating impacts from extractive mineral industries, which would include on the Victory Pipeline.
2. County agrees that it is desirable and necessary for the Victory Pipeline to be self-sustaining based on water sales alone, but finds that at this time it is neither practical nor appropriate for the citizens of the Retailing Public Bodies to shoulder the entire cost of the extra capacity in the Victory Pipeline.
3. For a limited time, County is willing to direct mineral lease funds in an amount not to exceed \$500,000 annually, but which may be less, to SSD #3 so that SSD #3 can help pay for excess capacity in Victory Pipeline.

DISTRICT INTENTIONS

- A. District will pursue financing and all other necessary measures to construct the Victory Pipeline.
- B. District will enter into agreements to sell water to Retailing Public Bodies.
- C. District will re-evaluate its water fees related to the Victory Pipeline at least every 5 years for at least 30 years.
- D. District agrees that it is desirable and necessary for the Victory Pipeline to be self-sustaining based on water sales alone, and the District is willing to adjust its fees and operations to ensure the Victory Pipeline becomes self-sustaining

DUCHESNE COUNTY WATER CONSERVANCY
DISTRICT,

DUCHESNE COUNTY,

By: _____
Moreen Henderson
Chair, DCWCD

By: _____
Ronald Winterton
Chair, Duchesne County

By: _____
District Secretary

By: _____
County Clerk/Auditor

(District S E A L)

(County S E A L)

Commissioner Peatross motioned to adopt Resolution No. 13-16. Commissioner Wood seconded the motion. All commissioners voted aye and the motion passed.

Consideration Of A Contract For HR Services

Attorney Allred stated that Deputy County Attorney Grant Charles is working on this contract. Chairman Winterton stated that there are a few things we need to look into and suggested that this be back on next week’s agenda. *This item was postponed by general consent.*

Consideration Of Minutes For Combined Commission Meeting Held September 16, 2013

Assistant Casper stated that these minutes are not ready for approval.

Consideration Of Minutes For Special Commission Meeting Held September 16, 2013

Assistant Casper stated that these minutes are not ready for approval.

Closed Meeting –

Commissioner Peatross moved to go into and out of closed session for the purpose of discussing personnel issues at 11:10 A.M. Commissioner Wood seconded the motion. All commissioners voted aye and the motion passed. Assistant Casper was excused from the meeting.

-Re-entered Combined Commission Meeting at 11:35 A.M... Assistant Casper rejoined the meeting at 11:35 A.M...

Consideration To Take Action Discussed Under Closed Meeting

No action was necessary.

Commission Calendaring

Adjourn

Chairman Winterton adjourned the meeting at 11:49 A.M.

Read and approved this 30th day of September 2013.

*Ronald Winterton
Commission Chairman*

*Diane Freston
Clerk/Auditor*

*Minutes of meeting prepared by BobbiJo Casper*_____