



## Governing Board

Thursday, November 21, 2013, 7:30 A.M.  
Historic Utah County Courthouse, Ballroom, 3<sup>rd</sup> Floor  
51 South University Avenue, Provo, Utah

### ATTENDEES:

Chairman /Mayor Jim Dain, Lindon City  
Vice Chair/Mayor Bert Wilson, Lehi City  
Chris Finlinson, Central Utah Water  
Conservancy District (CUP)  
Mayor James Evans, Orem City  
Councilman James Linford, Santaquin City  
Councilwoman Rebecca Call, Saratoga Springs  
Mayor Randy Farnworth, Vineyard Town  
Councilman Ray Walker, Woodland Hills Town  
Councilman Dean Olsen, Springville  
Robyn Pearson, Dept. of Natural Resources (DNR)  
Hilary Arens, Utah Dept. of Environmental  
Quality (DEQ)  
Dick Buehler, Utah Division of Forestry, Fire, and  
State Lands (FFSL)  
Representative Mike McKell, Utah State  
Legislature

### INTERESTED PARTIES / VISITORS

Chris Keleher, Technical Committee Chairman  
Henry Maddux, DNR  
Rick Black, Environ Corp.  
Jason Allen, Division of State Parks  
Bob Trombly, Provo City  
Bob Krejci, citizen  
Cari Krejci, citizen  
Bill Pope, DHR Engineering

1 **ABSENT:** American Fork City; Provo City; Utah County; Mapleton City

2

3 **1. Welcome and call to order.**

4 Chairman Dain called the meeting to order at 7:30 a.m. He welcomed the members of the Governing  
5 Board, and excused Mayor Hadfield.

6

7 **2. Approve Consent Agenda**

8 **a. Governing Board minutes September 26 and October 22, 2013:** Rebecca Call requested two  
9 modifications on the minutes. Kimber Gabryszak of Saratoga Springs, is their planning director, not a  
10 citizen. She also asked to change the word "would" to "could." (pg 7, ln 47; Sept. 26, 2013)

11 **b. September and October 2013 financial reports:** Mr. Price said the financial reports were included in  
12 the packets and asked if there were any questions.

1       **c. Annual Agreed Upon Procedures report by Squire:** At the end of each fiscal year, the Utah Lake  
2 Commission is required to do a financial review. A new procedure called the “Agreed Upon Procedures  
3 Report” is now required for budgets less than \$300,000. The procedure reviews the financial books,  
4 minutes and other procedures to make sure all rules and regulations are followed. The report came back  
5 positive with no recommended changes required.

6       **d. Tentative Schedule for next year:** In 2014, meetings will be scheduled on the 4<sup>th</sup> Thursday at  
7 7:30am, with just a few adjustments for holidays. Mr. Price indicated notifications will be sent out at least a  
8 week in advance if any meetings need to be canceled. December’s meeting is scheduled, but will most  
9 likely be cancelled. Mayor Wilson suggested we bring this schedule forward in January so the new Mayors  
10 will have the correct schedule on their calendars.

11       Mrs. Call moved to approve the consent agenda with recommended changes; it was seconded by  
12 Mayor Evans. The motion carried and voting was unanimous. The motion passed.

### 13 14 **3. Report from the Technical Committee.**

15       Technical Committee Chairman Chris Keleher gave the report of the Technical Committee. Since his last  
16 update, they held the Utah Lake Symposium at UVU. It included a lot of interesting presentations and was  
17 very successful. They are still waiting for a report on the Nature Center and Research Facility from the  
18 National Park Service. He will review it and give an update in the future.

19       The committee received an update on the phragmites removal efforts, and will be involved in  
20 discussion about planned changes to permit limits on nutrient discharges from wastewater treatment  
21 plants. They will be meeting and talking about some of the new standards which may be imposed.

22       Mr. Keleher said Mr. Price is working on the Adopt the Shoreline Program with a BYU student. Forestry  
23 Fire and State Lands is taking the lead on this effort to identify priority areas to piloting this program.

24       The Utah Lake elevation is still low.

25       The Utah Division of Forestry, Fire, and State Lands purchased a new airboat allowing them to access  
26 wetlands and other areas of the lake, which were not accessible in the past. It also allows them to monitor  
27 trespassing issues that are occurring in the wetland areas.

28       Mr. Keleher reviewed the private dock proposal options that were reviewed by the Technical  
29 Committee: (1) private docks; the land owner would have to be adjacent to sovereign lands (2) Community  
30 docks (3) Mooring or areas where boats are moored out in the lake (4) State-run facility such as a marina.  
31 Currently they feel the best option is the community dock approach. Their next steps are to finalize the  
32 draft amendment to the master plan for the lake, then hold a public meeting on the draft, followed by a 45  
33 day public comment period. After this process the Utah Division of Forestry, Fire, and State Lands will then  
34 respond to the comments and then finalize the amendment.

35       Time was opened for questions. Someone asked exactly how low lake level is. Mr. Keleher stated it is  
36 currently 3.7 ft below compromise.

37       Mr. Keleher said that the Technical Committee discussed and endorses Mr. Price’s report and  
38 recommendations.

39       Their committee will meet again in January. He expressed how thankful he is to see issues in the state  
40 being solved due to dedicated efforts.

### 41 42 **4. Report from the Executive Director.**

43       **a. Legislative event report:** Mr. Price reported the legislative event held in October was a great success.  
44 He met with Representative Mike McKell, and Senator Deidre Henderson, as well as some of their  
45 colleagues to inform them of what the ULC is doing. 14 of 21 Utah County legislators attended the  
46 meeting. The group expressed excitement about the improvement the Utah Lake Commission is making.  
47 He said Representative Mike McKell suggested having an annual meeting to keep them updated. Mr. Price  
48 said he had to become a registered as a lobbyist for the event, just to be safe legally.

1       **b. Insurance rates:** Mr. Price announced health insurance rates have dropped 14%.

2       **c. Utah Lake Symposium:** The Utah Lake Symposium was a great success. Recreational and scientific  
3 information were included to inform people about the lake as part of the event. Approximately 70 people  
4 attended the symposium.

5       **d. Water Quality meeting report:** A Nutrient Removal Seminar with the Walt Baker of the Division of  
6 Water Quality and Leland Myers, the Central Davis Sewer District Manager was held. Municipalities such as  
7 city administrators, public waste water plant managers, and elected officials were invited to learn about  
8 the potential restrictions, which may be imposed by the state. They are considering putting limitations on  
9 the amount of phosphorus and nitrogen that waste water treatment plants can discharge. The treatment  
10 plant managers were asked to meet together and discuss the questions that the state needs answers to.  
11 The state does not have the funding to conduct the research.

12       Mayor Dain asked how many water treatment plants exist. Mr. Price listed the following; Timpanogos,  
13 Orem, Provo, Springville, Spanish Fork, Payson, Santaquin and Salem which uses a lagoon system.  
14 Councilmember Call commented that she met with Mayor Brunst and he told her about technology coming  
15 out of SLC that removes phosphates from water. Mr. Price said he was familiar with the option, but is  
16 skeptical of the technology. He will approach the idea with consideration and caution.

17       Mr. Price is hopeful to have municipalities help with the needed research to ensure reasonable  
18 restrictions are put in place if it becomes necessary.

19       Mayor Wilson questioned how new regulations, if they were in place, would compare to other states?  
20 Mr. Price said the EPA gives standards for different water bodies. Each state is required to comply with EPA  
21 standards. Rep. McKell said new regulations are coming down from the Clean Water Act and we are  
22 subject to them. Ms. Arens said the study was to determine the correct level to protect water quality, not  
23 just EPA's. Mrs. Call asked if we are more strict than EPA standards or are we meeting EPA standards? Ms.  
24 Arens said that the study has better helped them to understand what EPA regulations are, but we have no  
25 restrictions or regulations on us at this point. Rep McKell stated that the legislature is hesitant to be  
26 stricter than the EPA at this time.

27       Mr. Buehler reminded everyone that a lot of the things which are currently in the lake have been there  
28 for many years, including phosphates, and nitrates. We need to control the addition of adding more, but  
29 we also to have to separate what is already in the lake from what is going into the lake.

30       **e. 501-c3** Mr. Price is meeting next week with the Bear Lake Group to talk about how their 501c3 is set  
31 up so we can accept donations.

32       **f. Introduction of Jason Allen:** Mr. Allen was present at the meeting and was introduced to the board  
33 as the new Park Manager at the Utah Lake State Park. He replaced Ty Hunter who accepted a new position  
34 working with the Division of Parks in Salt Lake City.

35       **g. Carin Green Replacement:** Carin Green has accepted a new position. Her position will be split into  
36 two part time positions; (1) office assistant (2) intern to help with outreach efforts.

37       **h. Congratulations on those who were reelected:** Mayor Farnworth, Councilman Farnworth, Mayor  
38 Curtis, Mayor Wilson and Mayor Hadfield were recognized for their re-election. Mr. Price looks forward to  
39 continue working with them.

40       **i. Dick Buehler's retirement:** Mr. Price also congratulated Dick Buehler on his retirement and thanked  
41 him for his years of support.

42       **j. Expect new members:** Mayor Jim Evans, Mayor Jim Dain, and Councilman Jim Linford were thanked  
43 for their support over the years and they will be replaced in the coming year.

44  
45       **5. Environ Study; economic benefits of carp removal and options for disposal of them**

46       Mr. Price gave a brief history of Utah Lake: In the mid 1800's it used to be a source of water and good  
47 fishing. Over time, it became overfished so carp was introduced in the late 1800's. They have the ability to  
48 survive extreme conditions and reproduce quickly. Carp began to dominate the lake and make up almost

1 90% of the fish biomass in the lake. They forage and uproot underwater vegetation, which helps to trap  
2 sediments.

3 Ten years ago it was estimated that there were 40 million pounds of carp in the lake. It was  
4 recommended to remove 75% of them to reduced nutrient loading and improve water quality. More  
5 desirable fish like bass, walleye, and catfish would become more plentiful and improve wildlife in the area.  
6 An example was given of another lake that showed a marked difference after dominating carp had been  
7 removed.

8 Four years ago we received a grant to begin testing to see if we could remove carp by seining. We have  
9 been able to remove over 12 million lbs. of carp so far and need to have another 18 billion lbs. removed to  
10 reach the 75% threshold. Once we reach that point, we will have to maintain that level. Loy Fisheries make  
11 year round efforts to remove the fish from Utah Lake.

12 We received grants through the US Fish and Wildlife and the Utah Department of Natural Resources to  
13 get this process started. Grants are becoming more difficult to obtain and there is worry that we may lose  
14 the progress we have made if we do not get support through other means. Last year we sought funding  
15 from the legislature for a fish meal plant, building, or facility that the state would own and operate. We  
16 were denied.

17 Some beneficial uses for the fish are: Liquid fertilizer, fish meal, pet food etc. Creating fish meal seemed  
18 to be the most profitable and easy to produce, however they needed to have a building close to the lake  
19 for easier processing.

20 We put out a RFP to answer these questions. (1) What is the carp removal process? (2) How is the  
21 removal of carp beneficial to us? (3) What should we do with the carp/best disposal option? Answers to  
22 these questions would give us the information needed to approach the legislature.

23 Environ was selected to help answer these questions. Rick Black, consultant with Environ gave a brief  
24 history of their company and explained the concept of ecosystem services. They (1) Look at the costs of  
25 damages and restoration (2) Look at the value of putting money into uplifting an ecosystem.

26 Some of the benefits that we value in the ecosystem are the fish and wildlife habitats, soil  
27 conservation, water conservation and water quality.

28 What is the cost and value given back of bringing up the level of the Utah Lake ecosystem? Over the  
29 next 20 years they calculated the benefits to be at \$30 million (direct benefits such as property values,  
30 fisheries, aquatic species etc.). Non-recreational benefits would be at \$421,000 first year, and \$4 million in  
31 20 years. The total economic value is in the \$64 million dollar range if we continue with carp removal over  
32 the next 20 years. This doesn't even include the huge ripple effect that will happen.

33 Mr. Price explained that this is a way to give monetary value to improvements that are made. We asked  
34 them to determine the best option to take; should we continue with the landfill and compost option or  
35 construct fish meal plant? They looked at three options: (1) LC1; composting the carp and disposing in  
36 landfills. (2) "Mont Lake Process" a fish meal plant that would be state owned and operated and would  
37 retain all the profits. (3). "Falcon Protein Process" a fish meal plant that the state would build as well as pay  
38 for the removal of the fish. A private entity would then provide and install the equipment and run the  
39 plant. The state would get a share in profits and building lease payments from this option.

40 It was previously believed that the best option was to seek funding for the fish meal plant. After  
41 reviewing their report, we don't feel it is the best option to take. Our current option requires no initial  
42 costs. The total net investment of the state for the carp removal is about \$5.3 million.

43 The Mont Lake Process has an initial cost to the state at \$1.5 million for the building, equipment,  
44 utilities and other unexpected expenses. Carp removal is \$5.3 million and a grand total of about \$7 million.  
45 Sale of the carp would provide a return \$4.4 million. Asset at the end: \$672,000. Total net investment of  
46 the state would be \$4.4 million. These numbers are over a 20 year period.

47 The Falcon Protein Plant: The state would fund the building. Equipment would be provided by the  
48 partner running the facility. We would get a lease payment of \$700,000, and they would share 1/3 of

1 profits \$413,000 (expected). The asset of the building = \$1.3 million. A net investment of \$4.3 million over  
2 20 years, which is approximately \$50,000 per year.

3 Costs that were not included in the study included dredging that would be required in low water years.  
4 Needed permits, stabilization chemicals, marketing, opportunity cost of leasing the land in Goshen Bay  
5 leased and provided by the state. (After 20 years, would we rather have something else there other than a  
6 building?)

7 Assumptions: (1) All fish meal would be sold at market prices. [It ranges between .50-.90 cents/lb.]  
8 (2) The amount of fish harvested annually will remain the same. (3) Product yield of fish/lb is consistent.  
9 [expect 20-24% of Mont Lake Process, 28-30% with the Falcon Protein Process]. (4) Negotiation of private  
10 industry settles on the recommended shares in returns. We assume it is \$700,000 in lease payments will be  
11 agreed upon before the building is constructed or as it is being constructed. (5) Profit sharing 1/3 of profits.  
12 It is uncertain if we would for sure be able to get that amount of profit. (6) Landfills and composting  
13 facilities would not charge more than 1 cent/lb for their fees.

14 Main concern with our current option: Can the commercial fishermen remove the volumes of carp we  
15 need them to? The fishermen are confident that they will.

16 The main concern with the processing plants are: (1) Can we enter into an agreement with a private  
17 company? (2) If the legislature were to fund a processing plant, it would take 1 to 1.5 years into the  
18 process before we could use the facility. We only have 3 years of high-volume fishing left before we meet  
19 our target. We would only have 1.5 years to use the facility during the most profitable time. (3) Dredging  
20 costs would be unpredictable. (4) What is the opportunity cost of using the land for a building? (5)  
21 Fishermen removing the volume needed. (6) Market prices for fish remaining the same. These are the six  
22 reasons why we are considering a different option.

23 Mr. Price said our biggest message to the legislature and the public is that carp removal must continue.  
24 There are great benefits that come to our ecosystem. With the lake level being low, it is best to get the  
25 volume of fish out now.

26 We need to make sure the Utah County Legislators support this and have them help us discuss this with  
27 other legislators in the state. Our immediate need is to continue removing carp over the next 3 years,  
28 totaling 18 million pounds. We will need \$5.2 million over the next 3 years= \$1.75 million/year.  
29 This cost includes an incentive for the commercial fishermen at 20 cents/lb for the first 3 million lbs  
30 removed, and incrementally more as greater quantities are removed to finally reach the 5 to 6 million  
31 pound mark.

32 The legislature works on a per year basis, so we need to come up with a commitment for three years.  
33 We need to identify and decide who is best to approach key decision makers in the House and Senate to  
34 gain their support. Efforts will be made to reach out to the media as well. Mr. Price remarked that a fish  
35 meal plant would probably have been a good idea at the beginning of the project. Since we have made  
36 significant progress, and the time it would take to construct a facility today, it seems the best option is to  
37 continue just removing and disposing of the carp as we currently are, and hope that someone from the  
38 private sector steps up to purchase the carp knowing that a steady stream will be coming for the next  
39 three years.

40 Mayor Dain asked if after the bulk of the fish are removed, would it be beneficial to have recreational  
41 fishermen remove the carp they catch instead of releasing them back into the water? Mr. Price said  
42 maintenance efforts to keep the fish at a good level are between \$200,000-\$250,000 per year. We will  
43 always need to keep a small commercial fisher around to manage their numbers.

44 Mrs. Call questioned why we are not trying to get more than 75% of the carp out of the lake. Wouldn't  
45 it be better to take 80% or more out to help during years of greater reproduction? Mr. Price said the more  
46 carp we can get out the better, but we need to make sure we get the 75% minimum. The more we  
47 suppress them, the harder it is for them to rebound.

1 Mr. Linford questioned if we really know the number of carp living in the lake, because the figures that  
2 were given a few years ago about the number of carp estimated to be in the lake now? Mr. Henry Maddux  
3 answered and informed that the Utah State Statistic and Biology Departments do an annual assessment to  
4 determine the amount of carp in the lake. It was estimated that there were 5.6 million adults, and now  
5 after the removal process has continued, the numbers are down to 3.5 million, few of which are small fish.  
6 For now, we are ahead of the reproduction. Mr. Price said the young carp are being eaten by predators,  
7 including carp.

8 Mr. Price said the reason we are going with the current removal process is because there are too many  
9 potential risks with the other options. We are still funding the carp removal process. After the first few  
10 years, the operative costs will drop dramatically. He noted that the information he just presented was a  
11 condensed version of the report, which was presented to the legislators.

12 Mr. Linford said that the \$5.2 million dollar cost is the hardest part to accept. We know that the cost is  
13 going to be at that point, but it is highly suspect that the cost will go over that amount. From a practical  
14 standpoint, what would we do? The state, county and city government are considered a business. Should  
15 we take the risk at the \$5.4 million or at \$4.3 million and still get the same benefits either way?

16 Mr. Maddux said they are planning to send out a request for proposals to see if there is a market for  
17 the carp. Currently Bill Loy has an agreement with a third party to ship the fish out. This reduces our cost  
18 for removal. We still believe that with the large volume of fish that needs to be removed that there will be  
19 an interested buyer. If we do not build a fish meal plant, they are planning find a private entity that wants  
20 to invest.

21 Mr. Price said some of the numbers that we are suspect of include: (1) profit sharing (2) the lease  
22 agreement (3) the perceived value of the building. Is the building really worth what it says on paper? Is it  
23 really an asset?

24 Mr. Price concluded by saying that the presented information was a summary of the information which  
25 was presented to the legislature. Mr. Maddux said the report shows all the references, methodologies and  
26 values. The report can be shared at any time.

27 Scientific literature supports the idea that removing 75% of the carp is when the ecosystem rapidly  
28 returns in quality. Maintenance will continue afterward. We will begin to see the benefits immediately  
29 when we reach that point.

30 Mrs. Call expressed concern that it will be difficult to get commitment from the legislature for three  
31 consecutive years. We can probably only get one year of approval at a time. It would be beneficial to  
32 explain our plan to them, and inform them of our intent to have a similar request for the next two years.

33 Mayor Dain believes that the more the legislature invests, the harder it will be for them to not continue  
34 fulfilling the request as we continue with the project.

35 Rep. McKell said he recently heard a presentation from a water agency about Utah Lake. They regard  
36 Utah Lake as one of the greatest economic water resources in Utah. Yesterday he learned in a presentation  
37 that in 2060, it is anticipated our population will grow an additional 3.2 million people along the Wasatch  
38 Front. Water is very important, and it needs to remain a priority. We can't afford not to build this resource.

39 Mrs. Call motioned to authorize the Executive Director to approach the legislature for additional  
40 money.

41 Mr. Pearson suggested that we add "intent language" to the request. He said it will help legislators with  
42 the long term commitment. Intent language expresses long term commitment and allows the legislature to  
43 see the goal. Even if there is turnover in the legislature, this language will remind them of their prior  
44 commitments.

45 Mrs. Call then altered the motion. She would like it to include the intent language, but would like to  
46 give the director authority to remove the intent language if it is not well received by the legislators. Instead  
47 it could say something such as "according to our plan." If this doesn't work, it could go back to just a one  
48 year appropriation.

1 Mr. Pearson explained the difference between restricted funds and general funds in the state of Utah.  
2 The general fund is a pool everyone grabs from. Restricted funds are targeted for activities and purposes.  
3 The money stays in a trust account which is overseen. Don't look at these funds in the same way.

4 Rep. McKell said that the restricted funds have been targeted by other legislators. The fund is growing  
5 and is too big now. Mr. Pearson added that the fund is designed to return investments back into the asset  
6 which would, in his opinion, includes carp removal.

7 Mr. Buehler said the restricted fund has had a lot of growth. Most of it comes from the revenue from  
8 production of minerals from the Great Salt Lake. The fund will start declining even without people raiding  
9 it. Most of the money we make is from the sale of potash. This industry is dropping right now so we will see  
10 a decline of money going into this fund. We cannot make long-term commitments on that fund. We and  
11 the lawmakers have to remember the impetus for this removal effort is the June Sucker Recovery program.  
12 It is very important that we do not list the June Sucker Recovery program on this or it will be restricted. The  
13 land where the fish plant could potentially be built would be on sovereign lands. There is room on "Goose  
14 Point" for both the fish plant and other uses. He would like to see the money in this sovereign land  
15 restricted account go to sovereign land projects where it was intended.

16 Mr. Pearson said the funds should be used for the recovery of the lake and the June Sucker Recovery  
17 Program or someone else is going to use it for other purposes.

18 Mr. Olsen questioned what the fish processing building could be used for after its function came to an  
19 end. Mr. Buehler answered by saying there are a lot of options for use of the building, such storage facility,  
20 or office space. It would never become a vacant building without a purpose. In time, we may need to start  
21 moving some of our facilities in that direction or other needs would surface.

22 Mrs. Call's motion was restated to have the Utah Lake Commission seek ongoing financial commitment  
23 from the legislature to fund carp removal at the lake as well as giving Mr. Price the authorization to create  
24 some removable intent language to go with it.

25 Mr. Buehler suggested that the best way to get this funding is to go through the Department of Natural  
26 Resources and ask them to sponsor it. The Utah Lake Commission could support it, but it would be best to  
27 go through the department.

28 The motion was seconded by Mayor Bert Wilson. All voted in favor. None opposed. Vote is unanimous  
29 with the quorum present.

### 30 31 **6. Other Business or Public Comments.**

32 There were no comments from the public.

33 Mayor Dain took a moment to express appreciation on behalf of the Governing Board for the lifetime  
34 of service given to Utah Lake by Mr. Dick Buehler. Mr. Buehler is retiring in December and this would be  
35 his last board meeting. He was given a framed picture of the lake and was given a standing ovation. He  
36 took some time to reminisce about his career.

37 Mayor Wilson asked to have Mayor Jim Dain, Mr. Jim Linford, and Mayor Jim Evans to come forward  
38 and receive a small crystal plaque recognizing their service to the Utah Lake Commission. These elected  
39 officials did not run for re-election. The board wished them well.

### 40 41 **7. Adjourn.**

42 It was motioned by Mayor Bert Wilson to adjourn, and it was seconded by Dean Olsen. The vote to adjourn  
43 was unanimous.