



Board Meeting Minutes

CALL TO ORDER 6:29 PM (2:29)

Pledge and Prayer

DECLARATION OF ABSTENTIONS AND/OR CONFLICTS OF INTEREST BY BOARD MEMBERS: None at 6:31 (4:10)

CONSIDER APPROVAL OF MINUTES FROM THE BOARD MEETING HELD

November 19, 2015: Board Member Watson motioned to approve the Board Meeting Minutes as written, second by Board Member Cozzens at 6:32 PM (5:10)

FINANCIAL REPORT:

CONSIDER APPROVAL OF ADJUSTMENTS AND PAYMENT OF BILLS FROM NOVEMBER 13, 2015 THROUGH DECEMBER 11, 2015.

•Monroe-You will see that we had a charge for the replacement of batteries out at the Three Peaks Tank. Ensign's invoice was larger than normal due to the extensive BLM work that Kelly has done, and the work that has gone into our GIS mapping system by Curtis. On page four the charge for the Remote Control Systems, is the SCADA system that was installed in the Cross Hollow Hills Subdivision. The total amount of that invoice will be reimbursed by them.

Board member Bonzo motioned to approve the payment of bills and adjustments; second by Board Member Watson. 6:36 PM (9:15)

CONSIDER APPROVAL OF 2016 BUDGET- •Monroe-There has been no adjustments made to the budget since our public hearing held last month. The remainder of the budget will be discussed in closed session. (10:20)

Michael Coronado arrived at the meeting at 6:40 PM

CONSIDER APPROVAL OF 2016 MEETING SCHEDULE: (11:06)

CONSIDER APPROVAL OF 2016 HOLIDAY SCHEDULE: Board Member Cozzens motioned to approve the 2016 Meeting Schedule and the 2016 Holiday Schedule; Second by Board Member Watson 6:41PM (14:25)

REVIEW 2015 FINANCIAL: •Monroe-6:44 (16:50) As you look at the revenues side, everything came out pretty well. Our revenue for the year; we budgeted was \$390,000.00 and received \$432,000.00. Connection fees were above what was budgeted \$25,000, \$46,000. Our revenues are above what had been budgeted and our expenses are below. We had budgeted \$1.7 million for our total operating expense and only spent \$1.4 million in operations. (17:49) Our legal fees were not as much as we had anticipated.

One GL line that is over budget is the Professional and Technical line. This includes our engineering fees but does not include work done on the West Desert. (19:03). •Watson-Paul will you please clarify why our property tax is only at about 82% (20:30) 6:48. •Monroe-We are still waiting on one large check from the county. 6:49 •Monroe-We received \$1.2 Million (22:00) this last week. The remainder will come in early January. •Commissioner Miller-If there are monies that have not yet been collected those are the funds that will come in at this month.

6:53 •Monroe-We have not purchased any land or any water rights. There will be a booster pump put in on the Desert Mound Road line to meet our contractual agreements and two other



pumps will be put in as well. We will end our year with just about \$678,000.00 in the bank. (26:50).

CONSIDER THE APPROVAL OF A RESOLUTION APPROVING INTERLOCAL AGREEMENT BETWEEN THE IRON COUNTY COMMUNITY DEVELOPMENT AND RENEWAL AGENCY AND CENTRAL IRON COUNTY WATER CONSERVANCY DISTRICT REGARDING THE RUSH LAKE SOLAR COMMUNITY DEVELOPMENT PROJECT:

▪Monroe-The agreement states that rather than receiving the \$309.00 over the next 30-year period, we will receive \$450,000.00 in property taxes. In 2017 this will equal \$31,000.00. This agreement lasts 20 years and at that point they will pay at the depreciated value of the land. (30:40)

Board member Cozzens motioned to approve Second by Watson 6:58 PM (31:22)

Water Conservation: ▪Monroe-I had the kick off meeting with Smart Utility Systems (SUS) and their projections are to be fully implemented in March. 6:59 (32:00)

Aquifer Balance & Water Development Projects: ▪Crane-We are moving forward with bidding out the replacement wells at Derby #2 and District #1. We will have our bids back and have better numbers for discussion in next month's meeting. ▪Monroe-I think while we have the wealth of knowledge that we have at this meeting, I would like for Jack Barnett to share with all of us what he shared with me during our discussions this morning. (33:53) ▪Barnett-When you are moving materials from the aquifer into the wells be it sands and silt. It is brought into your wells by the velocity of water. So if you squeeze the size of the casing down and pump it harder, you have greater velocity coming into the casing. That is if you were to go to an 8 inch. But if you had 16 inch casing, then you would have less velocity coming into the casing. You would want to design your gravel pack around the casing after you test and analyze the aquifer you are going to draw out of. To predetermine the size of casing you want is pretty far in head of the game when you don't know what the aquifer is capable of producing. (35:54) If you squeeze down the casing of that well, I think that you can plan on getting less water out of that well. ▪D. Barnett-Another thing you will find is that in the long term it will cost more because of the greater draw down for the same amount of water produced. Depending on how open the aquifer materials are. If you get a small enough increase in velocity, then you will have head loss and will always keep your well running less efficiently. (37:00) ▪Hunter-7:03 pm-The problem we have is that a 16 inch well is a lot more expensive than an 8 inch. ▪Barnett-If you really don't have an aquifer that is capable maybe it is wise to install something smaller. ▪Hunter gave a brief history of Derby #2. (37:28-38:00) ▪Hunter-One thing we will really need to concentrate on is having our driller keep really accurate samples. ▪Barnett-Yes otherwise you are just shooting in the dark. ▪Crane-That is something that we have included in our specs.

WAH WAH AND PINE VALLEY: UPDATE AND CLOSED SESSION FOR LITIGATION

▪Monroe-7:07 (40:20) With the process so far we have completed the cultural now we are waiting for a response from Fish and Wildlife, once the local BLM gets that back it will begin a 30 day comment period. After that they'll make a decision on whether or not the comments need to be a response in those, or they'll just approve it. We should get an approval to do those test pumps in the West Desert in the late winter/early spring. (40:05)



(41:30) The Barnett's (Jack and Don Barnett) presented a power point on Groundwater Recharge, the Tucson Water Story. They presented this information because of the parallels between what they have done there and what we are hoping to do here.

The presentation begins at 7:11 PM concludes at 7:43 PM

▪D. Barnett-Items to consider: Source of recharge water; recharge location and rates; aquifer capacity; cost; changing statute, laws/rules for recovery. ▪Hunter-7:30 PM (1:03:24)-When it comes to this recharging, how much analysis do you have to do? What does the analysis entail? I'm assuming that the Arizona people know what's underground a long way down. What is to say that the water doesn't go into the ground, hit a vein, and end up in the ocean? Is that geology or analysis available? 7:31PM ▪D. Barnett-I think what would really be required is some modeling. How much does it start to dissipate, and for me the thought is how much does it start to spill and go south or go west? ▪Barnett-Think outside of the box a little bit, the Utah laws were developed because they wanted to do some recharge projects in the Cottonwood area. The Salt Lake Valley has over appropriated by 400%. The water is moving out to the Great Salt Lake. So they wanted to recharge the area. So they wrote these laws to identify the water that is just right there in that area. They have recharge wells that they collect excess Little Cottonwood Creek water in the spring and then use it in the summer.

(1:05:00) 7:32PM

Discussion continues on groundwater law for several minutes until 7:43PM (1:16:24)

SUBSIDENCE MONITORING: ▪Monroe-I did hear back from Doug Grimshaw, he will be getting with me so that we can formulate a monitoring plan. (1:17:04)

GENERAL MANAGER'S REPORT: ▪Monroe-7:44 PM I am going to go to operations and have Curtis give you a presentation on the work that he has been working on with the staff in the office. Presentation covers the new GIS mapping system and how that will be an asset to the staff. 7:45 until (1:18:56) 7:58 PM (1:31:19)

Next meeting date is January 16th, 2016.

Board Members Report:

Motion to adjourn closed session to regular session made by Board Member Bonzo, Second by Board Member Cozzens at 7:59 PM

Roll Call Unanimous at 7:59 PM (1:32:28)

Roll call is as follows:

Tim Watson-Aye

Paul Cozzens-Aye

Michael Coronado-Aye

Rick Bonzo-Aye

Brent Hunter-Aye

Justin Wayment left closed session at 9:25PM to attend to personal business.

Board member Watson motioned to adjourn executive session back to regular session Bonzo seconded at 9:40 PM

Watson Motioned to approve the 2016 budget with the following amendments. That we extend the proposed raises to John 6.11%; Tracy 7.9%; and Mandi 7.5%. They will get 50% of the



proposed wage increase now and the remaining percentages of those raises will be looked at in 6 months, with the goals and incentives drawn out in the January 2016 meeting. We will split Paul's entire wage into thirds, his first raise being 7% Second by Paul Cozzens at 9:40 PM Tim, Paul, Michael approved. Rick opposed.

Motion to adjourn regular session made by Board Member Watson, Second by Board Member Coronado at 9:47 PM