

Central Iron County Water Conservancy District
Board Meeting Minutes
July 20, 2017



Board Members

Brent Hunter – Chairman
Paul Cozzens
Spencer Jones
Tyler Allred

District Staff

Paul Monroe – General Manager
John Juergens - Operator
Mandi Williams-Office Manager
Shelby Ericksen– Public Outreach

Curtis Nielson– District Engineer
Kelly Crane-District Engineer
Justin Wayment-District Legal Counsel

Others in Attendance:

Dillworth Armstrong
Roice Nelson
Gary Bruno
Rob Dotson
Gary Player

CALL TO ORDER: Board Chairman Hunter called the meeting to order. 6:34 PM
Kelly Crane led the pledge, Justin Wayment offered the invocation. (12:30)

DECLARATION OF ABSTENTIONS AND/OR CONFLICTS OF INTEREST BY BOARD MEMBERS: None (12:45)

CONSIDER APPROVAL OF MINUTES FROM THE BOARD MEETINGS HELD JUNE 15, 2017: ▪ Tyler Allred moved to approve the minutes from the meeting held June 15, 2017. Second by Joe Melling
Motion Unanimous 6:36 pm (13:40)

APPOINTMENT OF EXECUTIVE COMMITTEE: Will be discussed at the next meeting when more Board Members are in attendance.

CONSIDER APPROVAL OF PAYMENT OF BILLS AND ADJUSTMENTS FROM JUNE 8, 2017-JULY 13, 2017

▪ Monroe-Highlighted payments which were out of the ordinary-the recharge project, the ordering of checks, a fire hydrant reimbursement, a yearly bond payment for a water right purchase from 2008, a payment to USGS for spring monitoring in the West Desert, water rights transfers for new houses, and the credits and charges on individual accounts.

Board Member Melling moved to approve the payment of bills and the adjustments register from June 8th-July 13, 2017. Second by Cozzens.

Motion Unanimous at 6:41pm (17:50)

REVIEW 2017 FINANCIALS-Monroe-Money from the general PTIF account was moved to the debt service PTIF account as a recommendation from our auditors to fund bond requirements. We received an extra \$100,000 grant for our recharge projects. Total income increases because of the \$100,000 grant and connection fees.

Page four shows where we are year to date. We are 58% through the year. (22:25)

Monroe Reviewed the capital side of the budget where \$100,000 was added to the Coal Creek Recharge project because of the \$100,000 grant. It is anticipated that the District will overspend \$115,190 this year. (24:05) •Hunter-Any concerns and questions can be discussed as a Board. Then we will go into a public hearing. Cozzens asked about the backhoe lease. Monroe said that will be added. The lease is \$9,000 a year. (26:10)

PUBLIC HEARING ON BUDGET AMENDMENTS & RATE INCREASES:

Hunter entertained a motion to open a public hearing. **Joe Melling made the motion to open a public hearing. Second by Cozzens. Motion Unanimous at 6:50 pm.** •Hunter asked if there are any questions or comments by the public. •Monroe-Went over the proposal to amend Resolution No. 2017-7-20 Revision 4. It is proposed that CICWCD will not accept water rights after 1935 without Board approval. It is also proposed that a 5% increase be placed on the tiered rate schedule. There will not be an increase done to the base rate. CICWCD raised the rates when Monroe was first hired and previously hadn't been raised in a decade. Because of that, costs are reviewed every year so the raises will not be huge. •Cozzens asked about the call out fee and why it isn't higher. Monroe explained that is during work hours. The cost is \$65 an hour afterhours. •Monroe-The other fee is a surcharge fee. For example, if the mine has a large demand charge, a surcharge can be charged. If there is something that costs more for us, we can charge a surcharge. (32:50) The public hearing is both on the rate increase and budget amendments. •Hunter asked if there are any questions or comments. **No Public Comment** **Cozzens moved to close the public hearing. Second by Allred. Motion Unanimous at 6:57 pm.**

CONSIDER APPROVAL OF AMENDED 2017 BUDGET

CONSIDER APPROVAL OF RESOLUTION 2014-1-16 REVISION 4 FOR RATE ADJUSTMENTS

Cozzens moved to amend the 2017 budget. Second by Melling. Motion Unanimous at 6:57 pm.

Allred moved to amend the Resolution No. 2017-7-20. Second by Cozzens. Motion Unanimous at 6:58 pm. (35:00)

GENERAL MANAGER'S REPORT: •Monroe-The Utah Association of Special Districts has asked for additional funding due to the increase in cost during the legislative session on bills that are directly attacking special service districts. (36:53) •Hunter-Asked who else is part of the organization. The State Auditor has been coming down hard on some of these districts. It could affect us. •Monroe-Justin and I are working on drafting an ethics code for the District. The Utah Association of Special Districts is also who does our Board training. •Cozzens-Asked if Paul feels this is a beneficial relationship and cautioned the use of these entities like the League of Cities and Towns. •Monroe-Thinks it is a beneficial relationship. He meets with them a lot during the legislative season and emails back and forth. •Cozzens-Wants to make sure they are staying honest. (41:30) Cozzens said he thought CICWCD is overpaying for the membership

compared to how much larger water districts pay. ▪Melling-Agreed that CICWCD is overpaying and should pay based on our budget.

Monroe handed out a copy of a draft blanket contract. He spoke with Robby about it and why he does not use them. The benefit of a blanket contract is that it guarantees a cost and service. ▪Cozzens-Cedar City has some blanket contracts. ▪Allred-If they can guarantee a cost, that's great. If there is an emergency, it may not be useful. ▪Cozzens-Do we do enough that we can justify a blanket contract? I suggest we hold off because our system is so young. ▪Allred-If contractors find that they are losing money, they will show up slower and not do the best job. If what we're currently doing is working, let's keep it the same. ▪Melling-There will be a time that it makes sense, but that is not now. (48:40)

▪Monroe-Kelly just pulled up Jordan Valley's budget. We would pay \$78 to the Utah Association of Special Districts if we paid what they do based on their budget. (49:50)

Cozzens made a motion to pay the Utah Association of Special Districts \$200. Second by Allred. Motion Unanimous at 7:14 pm. (51:40)

PUBLIC COMMENT: ▪None (52:05)

AQUIFER RECHARGE: UPDATE AND DISCUSSION: ▪Monroe-We are making progress on the recharge project. Cozzens asked about the chances of funding the pond by the recharge project. ▪Monroe- The BLM could do the EIS, and there are several funding opportunities to make this project happen. The cost of the EIS is around \$25,000-\$50,000. The BLM may be willing to do that in house. (57:00) ▪Cozzens-The land is split between the BLM and the Jones'. Discussion of the recharge project continues for several minutes.

▪Nielson-The County will be finishing up their portion of the recharge project this week. John and I have been discussing the overflow portion of the project. We will do something similar to what was done at the SUU Farm. The tilted weir shipped yesterday. ▪Cozzens-Asked that the company be charged for the engineers' time. (1:03:30) Nielson will bring the charges up with them this week.

▪Cozzens-How did we miss the grade that had to be re-dug? ▪Nielson-If you look at the plans, we have it tiered out. I will review the plans and see if it was off. (1:05:45) Discussion of the v-notch continues for a couple minutes. (1:07:50) ▪Monroe-We received that \$100,000 grant. I figure we can spend \$60,000 to bring in power. The \$100,000 needs to be used by June of 2018. ▪Cozzens-How about we use the generator at the project and use the money on something else? ▪Monroe-The application listed power sources and a couple other things, but we can talk to them. Cozzens suggested increasing the width of the channel. (1:10:40)

AQUIFER BALANCE & WATER DEVELOPMENT PROJECTS: PRESENTATION ON SEWER EFFLUENT OPTIONS AND FUNDING OPTIONS BY CORY DOW CAROLLO ENGINEERING; DISTRICT WELL #2:

▪Monroe-We met with Grimshaw Drilling. We reduced his development time by two-thirds. We will have to pay out another \$15,000 and we will be done with it. We are still waiting on the permit from the Department of Environmental Quality to tie in the system. ▪Nielson-We are just waiting on Salt Lake. Everything looks good. (1:13:45)

▪Cory Dow with Carollo Engineering-Solving water issues is a complex business. Water reuse is another way to replenish. Reuse can mean a lot of different things. Dow went over several projects that other states are doing and some funding options. Dow defined non-potable reuse as sewer reuse that can be reused in parks and golf courses. There are two types, type one and type two. Indirect potable reuse is water that is treated and recycled. Indirect potable reuse can also be used for groundwater recharge. (1:18:30) Orange County recharges waste water that is then drunk. The water that is injected is actually cleaner than the water in the aquifer. Direct potable reuse (DPR) is more advanced. It is treated enough that it is sent back into the water system.

(1:21:10)

Reuse is great for landscape irrigation especially during water spikes. Industrial and commercial purposes are also non-potable uses. Potable reuse can be used year-round.

In December 2016, DPR was deemed feasible. California is leading the way in DPR research. Nevada recently approved IPR regulations in 2016. Class A+ was introduced which says the water must meet primary drinking water regulations. Colorado and Arizona are also developing potable reuse regulations. (1:30:20) Dow went over some examples of states reusing waste water and how they are doing it. Grant funding is available for research and these kinds of studies. DEQ offers a grant for their planning phase. It must have a strong tie into the improvement of water quality.

Dow shared four grants that are applicable to the District, and Cedar City if this is a joint project. (1:38:00) The technical, public, and regulatory aspects must be addressed. The public perception is a concern, but the tone has shifted in the last decade. Hunter asked about desalinization. Dow explained that desalinization is more expensive. Public education has changed the overall view on reuse. (1:43:20)

SUBSIDENCE MONITORING: ▪Monroe-The monuments have not been installed yet. Hopefully they will be in the Fall. (1:47:50)

WAH WAH AND PINE VALLEY: ▪Monroe-There is continued work on the environmental side. Any further updates will be discussed in the closed session. (1:48:23) 8:11 PM

WATER CONSERVATION: ▪Monroe-We have the Water Festival next Saturday, July 29th from 10 am-2 pm. (1:49:25)

GROUNDWATER MANAGEMENT PLAN AND LOCAL WATER RIGHTS CHANGES:

▪Monroe- The District was a protestant to two water right hearings this month. We asked the State Engineer to consider changing his policy on surface to ground change applications or put them off until we have a groundwater management plan in place. (1:51:00) We protested another surface water right. A hearing will probably be scheduled for that application next month. (1:52:00)

BOARD MEMBERS REPORT: ▪Melling-Kent suggested he would like to present some of the things he is thinking to the Groundwater Management Plan Committee before they make any decisions. ▪Allred-Bob Holt's well is affecting other wells in the area. We may need to watch the Chekshani well closer because other wells are sucking air. (1:54:00) ▪Monroe-The DOT can file

impairment. ▪Allred- They are thinking of that. ▪Monroe-thought there may be something else going on because they are not getting much water from their test wells. (1:55:00)
Next meeting date: August 17, 2017

ENGINEERING REPORT: ▪ Crane-Specifications were brought up at the last meeting.
▪Nielsen-There are specifications for the District. This was done in 2004. Recently, we've had an influx of plans coming in. It does say that the District needs to inspect projects before they will be inspected. (1:59:10)

Board Member Melling motioned to close the regular meeting. Second by Board Member Allred.

Motion unanimous at 8:24 PM (2:00:30)

Roll Call as follows:

Cozzens-Aye

Allred-Aye

Melling-Aye

Hunter-Aye

Board Member Cozzens motioned to adjourn the closed session and resume regular session board meeting. Second by Board Member Hunter. Motion Unanimous at 8:56 PM

Board Member Hunter motioned to adjourn the regular session board meeting. Second by Melling. Motion Unanimous at 8:56 PM.