

Central Iron County Water Conservancy District  
Board Meeting Minutes  
January 17, 2019



**Board Members**

Brent Hunter-Chairman  
Thomas Stratton  
Spencer Jones  
Tyler Allred  
David Harris  
Joel Myers

**District Staff**

Paul Monroe-General Manager  
Mandi Williams-Office Manager  
Jessica Staheli-Public Outreach  
Kelly Crane-District Engineer  
Curtis Nielson- District Engineer  
Justin Wayment-District Legal Counsel

**Others in Attendance**

Beth Gaines-Cedar Highlands  
Paul Cozzens-Iron County Commission

**CALL TO ORDER:** •Board Chairman Hunter called the meeting to order at 6:32 PM. Tom Stratton lead the Pledge of Allegiance. Justin Wayment offered the invocation. **(3:27)**

**SWEARING IN OF NEW BOARD MEMBERS:** •Wayment-Read the swearing in statement for CICWCD Board Members to David Harris and Joel Myers. Harris and Myers repeated the statement and signed the Oath of Office. **(5:31)**

**BOARD ORGANIZATION AND APPOINTMENTS:** •Hunter-Noted that the Board needed reorganization because of the new board members. Currently Brent Hunter is the Chair, Tom Stratton is the Vice-Chair, and Paul Cozzens was the secretary/treasurer. Cozzens is no longer serving on the Board.

**•Board Member Allred made a motion to reappoint Brent Hunter as the Chairman. Second by Board Member Jones. Motion Unanimous.**

**•Board Member Jones made a motion to reappoint Thomas Stratton as the Vice-Chairman and appoint David Harris as the Secretary/Treasurer. Second by Board Member Allred. Motion Unanimous. **(8:06)****

**DECLARATION OF ABSTENTIONS AND/OR CONFLICTS OF INTEREST BY BOARD MEMBERS:** •None. **(8:26)**

**CONSIDER APPROVAL OF MINUTES FROM THE WORK MEETING AND BOARD MEETING HELD NOVEMBER 15, 2018:**

**•Board Member Allred moved to approve the minutes from the board meeting held November 15, 2018. Second by Board Member Jones. Motion unanimous 6:40 PM. **(9:08)****

**CONSIDER APPROVAL OF PAYMENT OF BILLS AND ADJUSTMENTS NOVEMBER 7, 2018 THROUGH JANUARY 11, 2019:** •Williams-Said there was a semi-

annual fee paid to Blue Stakes. The payment was made to Enoch City for the RDI Conservation Grant, that the board had approved in the previous meeting. There were several fire hydrant security deposits. A payment was made for security fences at Chekshani Cliffs and Eagle Valley. There was a large payment to the U.S. post office for billing postage and the rest of our postage fees for the year. There was a yearly payment for insurance. The yearly payment was made on our bonds. ▪Jones-asked about paperless billing. ▪Williams-Said that there is paperless billing option, that gives a credit to those customers who will sign up for autopay through Xpress Bill Pay, and also receive emailed billings from our office. This saves staff time, and postage. Last time she checked there were about 270 customers signed up for paperless billing/autopay. Monroe-Said that the District offers a credit of the current monthly base rate for those customers who sign up for paperless billing/autopay. ▪Monroe-mentioned that on the 2019 Budget on the property tax that the District received in 2019 is about \$300,000 which will actually be moved back into 2018. (15:10)

**▪Board Member Stratton moved to approve the payment of bills and the adjustments register from November 7, 2018 through January 11, 2019. Second by Board Member Jones. Motion Unanimous at 6:46 PM. (15:25)**

Williams-Went over the Transaction Register. There was a credit to Bulloch Dirt Works for an incorrect meter read. There were a few late fee reversals, and there were a few paperless billing credits. (16:58)

*Mandi Williams left at 6:48pm.*

**REVIEW 2018 AND 2019 FINANCIALS:** ▪Monroe-Reviewed the 2018 Financials. He discussed Water Revenue, State Grants, Connection/Impact Fees, Interest Revenue, and Contributions from Cross Hollow Hills. He then began discussion on the Capital Side of the 2018 Budget. He highlighted the Recharge Project, the West Desert Project, Legal fees, and new meters. The District will end the year with \$789,395. There are still some pending purchases that will come out of that total soon. There was some movement of cash from the checking account to the PTIF account to generate more interest. (22:18)

▪Monroe-Went over the charts (exhibit A) that were created to show the last several years of water usage and revenues for the District. He discussed water rights that the District owns in comparison to the potential water cuts. ▪Hunter-Said the State Engineer proposed that the first cut occur in 10 years. The GMP Committee has proposed that to change to 20 years. ▪Monroe-Turned the time over to Paul Cozzens. ▪Cozzens-Informed the board that Cedar City would lose 84% of their water if the cut occurs in 10 years. In 15 years, they would lose about 50%. He spoke for several minutes in regard to water rights. ▪Monroe-Said that James Greer from the State Engineer's office said that the majority of these water cuts would be municipal rights. Greer wondered if there would be something the District could do to reduce this impact. ▪Monroe-Mentioned the West Desert Water Supply Project as a possible solution. ▪Cozzens-Mentioned wastewater treatment as a possible solution. ▪Monroe-Continued speaking about the charts. Jones-Expressed appreciation to Paul for creating the charts. ▪Discussion continued for several minutes about the charts. (35:15)

**GENERAL MANAGER'S REPORT:** ▪Monroe-Said tomorrow he will be meeting with the Ag Optimization Legislative Committee in Salt Lake. They are working to get some more funding for agricultural optimization studies.

▪Monroe and the engineers met with Senator Vickers and Representative Shipp. They proposed the need of a \$250,000 grant for the West Desert Planning Expenses. Their response was positive. CICWCD is going to contribute \$500,000 and is asking for a grant to match half that amount. ▪Crane-Said that they want the EIS and ROD finished within the next 2 years, which is why the District is looking into grants right now. ▪Monroe-Said this is the time to work through the EIS process, because of the key people in local and federal government entities and offices. Hunter, Jones, Monroe, Crane, and Nielson went through the SOQ process to choose a consultant. This has been somewhat on hold due to the Government Shutdown. The EIS fear could be the Hydrologic Model that might be required. The BLM Hydrologist suggested that the District does a model similar to Southern Nevada's. ▪Monroe-Noted that the West Desert Project will go along with a GMP Plan. ▪Myers-Asked if there have ever been any water studies in the Pine Valley area. ▪Monroe-Said that there have been a few studies done since 2012 in partnership with the District. ▪Crane-Said there is a hydrologic model that covers the entire Great Basin, but it is a very large area to model. So there needs to be some smaller areas modeled. ▪*Discussion continued for several minutes in regard to the Hydrologic Model and the West Desert EIS.*

▪Monroe-Started discussion about the Water Advisory Committee. There are about 20 committee members from the community. We have had some geologists and engineers speak to the committee so far. Brian McInerney from the National Weather Service is the next presenter. The next two meetings will include the UM/Deep Water presentation and then Don Barnett. The committee was created as another way to educate the community through multiple stakeholders in the community.

▪Monroe-Said the District is currently in the process of selecting candidates for another water operator. Next week a few candidates will be interviewed for the position. (55:00)

**PUBLIC COMMENT:** ▪Cozzens-Said Bob Holt went around the Enterprise region to put meters on a lot of the agricultural wells. The State Engineer has approved his idea to figure out if he can farm more land with the same amount of water. He will be growing triticale hay. Cozzens suggested that we should watch to see how it works, because it may be an innovative solution. ▪Hunter-Discussed the BioChar that USU is testing on his fields. BioChar is supposed to prevent evaporation. It may also be a good use for the dead trees on the mountain. ▪*Discussion in regard to innovative solutions to balance the aquifer continued for several minutes. There was also discussion regarding the Parowan Valley starting a Groundwater Management Plan. (1:02:34)*

**SUBSIDENCE: UPDATE AND DISCUSSION:** ▪Monroe-Explained that the District has added additional monuments that are measured each year. The monuments show how much subsidence is occurring. Most of the significant subsidence is happening in the Graben area. There are some monuments in the Quichipa area, but there is not substantial information as of yet. ▪Myers-Noted that one problem with subsidence from reduced aquifer storage is that not only water is lost, but storage space as well. (1:04:40)

**WATER CONSERVATION: UPDATE AND DISCUSSION:** ▪Monroe-Said the Fourth-Grade Water Fair is scheduled for March 4<sup>th</sup> and 5<sup>th</sup> at the Heritage Center. (1:05:13)

**AQUIFER RECHARGE: UPDATE AND DISCUSSION:** ▪Monroe-Said that the pond near Quichipa is on hold because of the holidays and the BLM furlough. ▪Nielson-Said that next week the engineers are meeting with Russel Limb and PCI about the Rusty's Project. Cost estimates from different contractors are in the works. They have put in a cost estimate for the gabion baskets. Nielson estimates \$375,000 as a total cost. It is hoped that Limb and PCI have a lower cost estimate since they are familiar with the area. After meeting with them, they will work to create an agreement if they want to go forward. ▪Wayment-Said the contract gives Limb the right to the mining on the property. Limb's current lease with the Roundy's ends in 2023. Wayment said he looked over the procurement policies of the District. Because Limb has a lease on the property, he should be able to do the work if he wishes. The policy states that you may give someone the job if there is only one source. Technically Limb is the only source and is in the District's best interest to have him do the work. ▪Hunter-Said that he would like this project to move forward to catch the spring runoff water. ▪Cozzens-Said the county has removed a lot of gravel out near Quichipa. It will be a good pit for recharge if water can get out there. ▪*Discussion continued for several minutes in regard to recharge.* (1:14:10)

**DISTRICT INFRASTRUCTURE IMPROVEMENTS: CHEKSHANI CLIFFS:** ▪Monroe-Said the District held an open house for the Chekshani Cliffs Property Owners to give them a few improvement options and discover how willing they are to pay for improvements. Their water has a high TDS. There is a lot of hardness and corrosion in the water. The District has an agreement with Bob Holt which states that if he drills a well with good water, the District can go drill a well on his property and have the easements to the well. Many homeowners have come into the District office to tell us about the corrosiveness in their homes and would like to have help from the District to fix the issues. They have a few options, both costing about \$500,000. One option is to drill a new well, and the other is to install a treatment facility. ▪Staheli-Said that the current vote is 5 no and 35 yes. Monroe-Said that the ballot was created to determine if the property owners are willing to help pay for the improvements. The final tally will be taken the first week of February. He suggested that while the District is exploring these improvements, they should also look at extending a line towards Kanarraville. This would just be a backup redundant source for Kanarraville. It could also be a way for Kanarraville to potentially use West Desert water in the future. Monroe mentioned that Kanarraville pays taxes to the District. (1:20:57)

**DISTRICT INFRASTRUCTURE IMPROVEMENTS: CEDAR HIGHLANDS:** ▪Jones-Introduced Beth Gaines who was present as a Town Council member from Cedar Highlands. ▪Monroe-Said they are working to procure a grant for Cedar Highlands Improvements. This is to revitalize the springs that are used for that subdivision's water. There is a lot of water that is running off the springs and isn't used, so we would like to utilize that water. There are also plans to put in some new fire hydrants, and to do slippage analyzations. ▪Gaines-Thanked the board and staff for the work that they do for the town of Cedar Highlands. ▪Nielson-Anticipates that the

grant will take a few months to finalize but mentioned that the process is more efficient now. (1:24:13)

**DISCUSSION OF GROUNDWATER MANAGEMENT PLAN:** ▪Monroe-Said there have been some changes that the committee would like to make to the State Engineers' draft Groundwater Management Plan. Those changes were submitted by letter to the State Engineer, and then there will be a meeting to discuss those potential changes. The State Engineer and his staff are coming for the meeting on February 14<sup>th</sup>. Monroe said he discussed revising the water cuts timeline with James Greer and Nathan Moses from the Division of Water Rights. Monroe explained that the GMP Committee was created to help advise and create a groundwater management plan for the Cedar Valley. ▪Cozzens-Mentioned the water rights that Cedar City is pursuing. It is a recharge and recovery application. ▪*Discussion continued for several minutes in regard to the Groundwater Management Plan and the State Engineer.* (1:31:18)

**DISCUSSION OF WATER RIGHT ACCEPTANCE POLICY DRAFT AND WATER RIGHT TRANSFER AGREEMENT:** ▪Wayment-Began discussion on the Water Right Acceptance Policy. Previously the standard was to draw a strict line at the priority date of 1935. This draft of the policy gives the possibility of a water right transfer under 1935 priority along with monetary compensation depending on the fair market value of the water right. Those extra funds could be used to buy water rights or to help bring in the water from the West Desert. This could also help stabilize the water market, since many entities currently won't accept water over 1935. ▪*Discussion continued for several minutes in regard to water rights and market value.* ▪Monroe-Said the dates in the policy will potentially be changed to coincide with the GMP Plan timeline.

▪Wayment-Said the water right transfer agreement is a draft agreement that a customer would have to go through in order to transfer water to the District. ▪Monroe-Said this agreement was created to protect the district from Quantity Impairment. ▪*Discussion continued for several minutes in regard to Quantity Impairment.*

▪Jones-Suggested the Water Right Acceptance Policy should be adopted after the GMP Plan is complete. He voiced his concerns with the statement in the Water Right Acceptance Policy Draft that states, "in the event that more water is used annually than was deeded, the customer will be required to transfer over additional water right(s)". He was concerned that this could fall back on the developer. ▪Monroe- Stated that this statement that is already in effect. The District's billing software shows easily how much extra water is used. ▪Jones-Declared a conflict of interest that he might have as a developer. ▪Wayment-Voiced his concern with tracking this usage. ▪Jones-Said the word "customer" may need to be clarified. ▪*Discussion and recommendations to the policy continued for several minutes.* (1:58:40)

**WAH WAH AND PINE VALLEY: UPDATE AND DISCUSSION:** ▪Monroe-Said the District was approved to purchase some SITLA property out in the West Desert Area. Contracts are currently in the process of being created. (1:59:25)

**BOARD MEMBER REPORT:** •None. (1:59:37)

**ENGINEERING REPORT: UPDATE AND DISCUSSION:** •None. (1:59:56)

**Next meeting date: February 21<sup>st</sup>, 2018.**

**Board Member Jones motioned to close the regular session and go into a closed session. Second by Board Member Myers. Motion unanimous at 8:31 PM.**

**Roll Call as follows:**

**Hunter-Aye**

**Stratton-Aye**

**Jones-Aye**

**Allred-Aye**

**Harris-Aye**

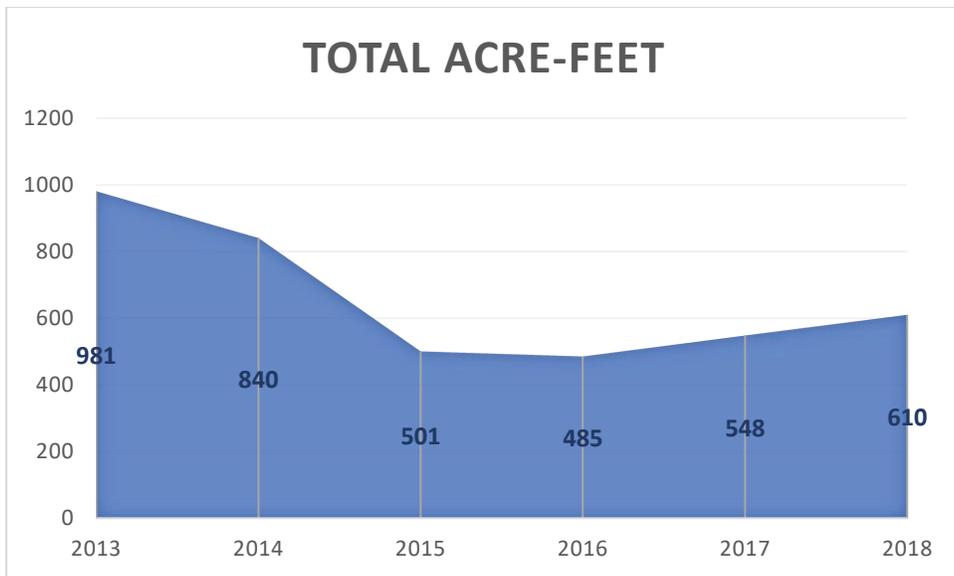
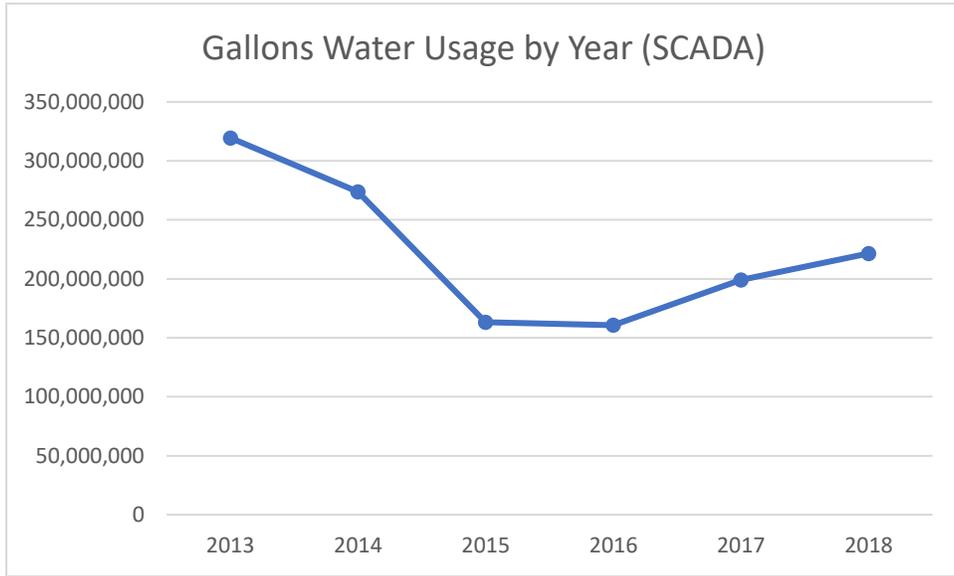
**Myers-Aye**

**Board Member Jones motioned to adjourn the closed session and resume regular session Board Meeting. Second by Board Member Harris. Motion Unanimous at 8:47 PM.**

**Board Member Allred motioned adjourn the regular session Board Meeting. Second by Board Member Harris. Motion unanimous at 8:47 PM.**

**Meeting Adjourned at 8:47 PM.**

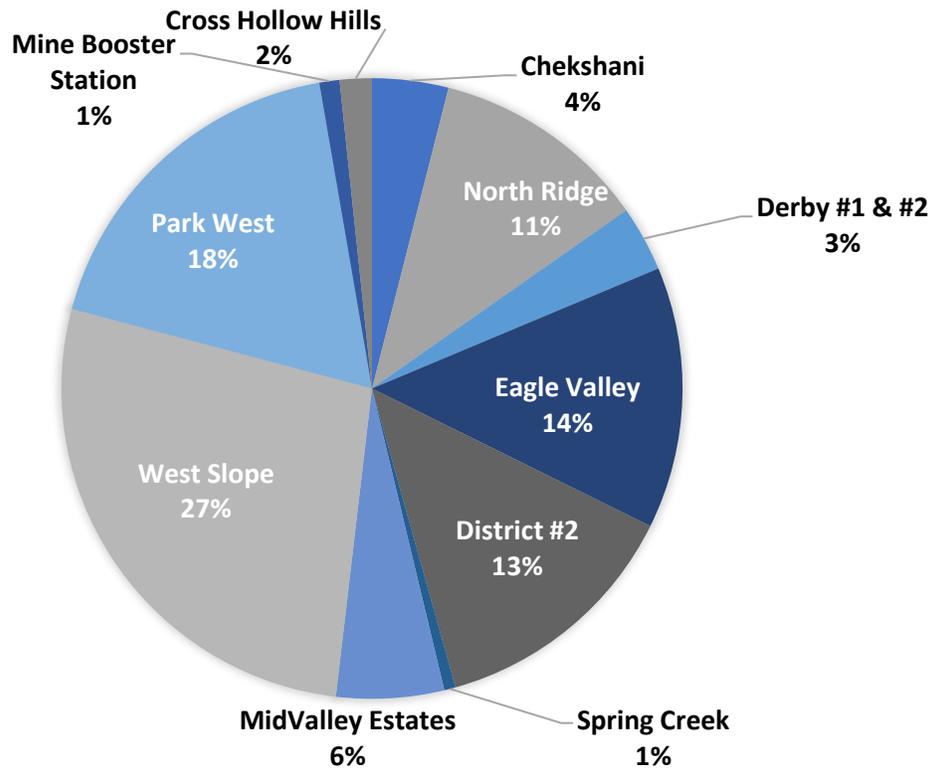
## Water Usage and Revenue Reports



The State records indicate the District currently owns 2,367 acre-feet. This does not include the transaction of Cross Hollow Hills or the purchase of 48-acre feet currently under contract.

	Diversion	Depletion
1860-1934	986	565
1935-1944	155.78	95
1945-1954	801	482.7
1955-1966	424	258.86
<b>Total 1860-1966</b>	<b>2,367</b>	<b>1,401</b>

## TOTAL GALLONS BY SOURCE 2015-2018



## Total Gallons 2015-'18

