

Central Iron County Water Conservancy District  
Board Meeting Minutes  
March 28, 2019



**Board Members**

Brent Hunter-Chairman  
Thomas Stratton  
Spencer Jones  
David Harris  
Joel Myers  
Terri Hartley

**District Staff**

Paul Monroe-General Manager  
John Juergens-Water Operator  
Tracy Feltner-Water Operator  
Jeff McKee-Water Operator  
Jessica Staheli-Public Outreach  
Kelly Crane- District Engineer  
Curtis Nielson- District Engineer  
Justin Wayment-District Legal Counsel

**Others in Attendance**

Cory Dow-Corollo Engineering  
Carter Wilkey-Realtor  
Rex Shipp-State Representative  
Paul Cozzens-County Commission

**CALL TO ORDER:** •Board Chairman Hunter called the meeting to order at 7:05 PM. Spencer Jones lead the Pledge of Allegiance. Tracy Feltner offered the invocation. **(12:16)**

**DECLARATION OF ABSTENTIONS AND/OR CONFLICTS OF INTEREST BY BOARD MEMBERS:** •None. **(12:49)**

**CONSIDER APPROVAL OF MINUTES FROM THE BOARD MEETING HELD FEBRUARY 21, 2019:**

•Board Member Harris moved to approve the minutes from the Board Meeting held February 21, 2019. Second by Board Member Myers. Motion unanimous 7:08 PM. **(13:14)**

**CONSIDER APPROVAL OF PAYMENT OF BILLS AND ADJUSTMENTS FEBRUARY 13, 2019 THROUGH MARCH 22, 2019:** •Monroe-Said there wasn't much out of the ordinary this month. •Hartley-Asked what the District had purchased from SITLA. •Monroe-Said that the District purchased a portion of land out in Pine Valley for the West Desert project solar field.

There were some disconnection/reconnection fees. There was a meter repair charge to a contractor. There were a few one-time courtesy credits for customers. **(16:48)**

•Board Member Stratton moved to approve the payment of bills and the adjustments register from February 13, 2019 through March 22, 2019. Second by Board Member Myers. Motion Unanimous at 7:12 PM. **(16:59)**

**REVIEW 2019 FINANCIALS:** •Monroe-Said that water revenue is at 16% currently, but that tends to pick up in the summer months. He noted that the budget is typically conservative. There were a few grants received. \$50,000 for recharge projects. \$250,000 was from the legislature for the West Desert EIS/Financial Business Plan/Water Needs Assessment. He mentioned the Visa statement was available to the Board as well. **(20:19)**

**GENERAL MANAGER'S REPORT:** ▪Monroe- Began a short discussion about water bills.

The District came out fairly unscathed. The water bill that took away taxes from Water Districts did not pass. Rex Shipp will discuss more on the legislature when he arrives.

The Water Advisory Committee recently had a presentation from Brian McInerney from the National Weather Services. In the next 75 years the earth will probably warm about 10 degrees and it is likely that there won't be snowpack when that happens. That will be a significant change in how water will be captured in the future. There was some discussion in regard to climate change and how it will affect our water.

Monroe spoke about a contractor who would like to hook his development into our line near Spring Creek. Currently it is annexed into Cedar City. It would be 135 lots. We could potentially wholesale water to the city in order to supply them. The nearest Cedar City water line is a transmission line. It would be about a half-million dollars to hook into their system. This is something the District may discuss with Cedar City. (32:38)

**CONSIDER APPROVAL OF CICWCD WATER RIGHT ACCEPTANCE POLICY:**

▪Monroe-Began discussion on the Water Right Acceptance Policy. Currently municipalities in Iron County have policies that they will not accept water rights beyond 1935.

*Rex Shipp arrived at 7:29 PM.*

▪Monroe-Said the District still sees some value in those junior water rights. This policy allows a person to bring in a water right junior to 1935 along with cash. Monroe said that we received some numbers from an appraiser. Harris also checked on numbers to determine the future value of water rights. ▪Harris-Said he looked at the surcharge of the money if we need to take some of the money gained to purchase senior water rights in the future. His conclusion is that the District couldn't charge enough money to potentially purchase more shares down the road with this money. If we do this it shouldn't be for purchasing shares down the road, but the multiplier of the surcharge should be put towards projects that mitigate the water right cuts. It would be better used now than in the future. He voiced his agreement with choosing a multiplier based on prospective market value. Monroe-Said that his first suggestion is that he is nervous about accepting 1957 water rights. He would suggest removing that date from the policy. His second was to hire an appraiser to select the multipliers. Harris-Said that the less manipulative of the market we can be the better.

*Paul Cozzens arrived at 7:37 PM.*

▪Harris-Said he thought appraisals may need to be updated yearly. ▪Jones-Suggested that there would be an appraisal to revisit the fair market value every so many months. He said they should determine a specific amount of time. ▪Discussion continued for several minutes. They spoke about having an appraisal when they feel it is needed. Discussion continued for several minutes in regard to appraisals. The Board continued discussing of using the surcharge cost to further projects to help mitigate water cuts. ▪Jones-Discussed the Groundwater Management Plan.

*Justin Wayment arrived.*

▪Jones-Spoke about water right hoarding. He suggested that the District get an appraisal based on market value and the Groundwater Management Plan to come up with the ratios. He thought that there should be an appraisal every few months. Then the money from the surcharge should be put towards projects. ▪Monroe-Suggested that the District ought to get an appraisal, and he voiced his concern of accepting a 1957 water right. He said they could add in the other language as well about where the surcharge would be used. (1:02:00)

**▪Board Member Stratton moved to have a confidential appraisal of water rights and then revisit the numbers and multipliers in the Water Right Acceptance Policy. Second by Board Member Harris. Motion Unanimous at 7:58 PM. (1:03:22)**

Myers-Said that we should also consider growth of Iron County as well. Harris-Added that manipulating the market and the hoarding of water shares will stifle growth.

### **LEGISLATIVE UPDATE:**

▪Shipp-Began discussion about the Legislative Session. The District received a contribution from the Legislature to help with the EIS. There was some concern with the taxing structure, but in the end, there was the full appropriation of the budget. He noted that he was happy to find that there was a lot of support for water. He thinks the legislature understands the importance of water. There was a bill that was passed about secondary metering. This will only apply to pressurized systems. This won't apply to Iron County though. There was a resolution to do studies on water banking. ▪Monroe-Said that water banking is becoming a big word in the water community. There are a lot of creative ideas floating around. ▪Monroe-Said that Shipp helped us with the proposed bill that was going to not allow board meetings to be held on the same day as a public hearing. The bill was substituted out. (1:13:50)

**SWEARING IN OF NEW BOARD MEMBERS:** ▪Wayment-Read the swearing in statement for CICWCD Board Members to Terri Hartley. ▪Hartley-Repeated the statement. (1:15:14)

### **CONSIDER ADOPTION OF RESOLUTION #2019-03-28-01 COMMITMENT TO THE BUREAU OF RECLAMATION FUNDING OPPORTUNITY BOR-DO-19-F003 FOR THE QUICHAPA SETTLING BASIN:**

▪Cozzens-Explained that this project would be to expand the settling basin into a lake of sorts. It would sit on BLM land. The BLM has already approved the EIS for this project. Nancy Dalton is the grant writer who was used to write the grant for this project. It is the water wise grant through the Bureau of Reclamation. It is a matching grant. The project would be for the high flows that can't be captured by the existing infrastructure. ▪Monroe- Stated that he doesn't believe there would be many years that it would be dry. We applied for \$750,000. The grant says that we would come up with \$450,000 and \$300,000 for the rest would be sweat equity. It is pretty manageable. There is a grant in for the watershed restoration initiative. He stated that it is pretty manageable if we bring in other entities to help with the cost. He mentioned that Gawain Snow says plan for the project and the funding will come. There are 3 years to find the matching funds to use the grant after it is received. Myers-Wondered if we are committed to that amount of money. Monroe-Said that essentially,

we would just receive the portion of the grant that we could match. He was confident that the District could find the funding.

**Board Member Stratton moved to adopt Resolution #2019-03-28-01 Commitment to the Bureau of Reclamation Funding Opportunity Bor-Do-19-F003 for the Quichapa Settling Basin. Second by Board Member Harris. Motion Unanimous at 8:23 PM.**

**Roll Call as follows:**

**Hartley-Aye**

**Harris-Aye**

**Myers-Aye**

**Jones-Aye**

**Stratton-Aye**

**Hunter-Aye (1:27:53)**

**CONSIDER ADOPTION OF RESOLUTION #2019-03-28-02 COMMITMENT TO THE BUREAU OF RECLAMATION FUNDING OPPORTUNITY BOR-DO-19-F004 FOR THE SMART SCAPES: A WATER EFFICIENT LANDSCAPE DEMONSTRATION STREET:**

▪Monroe-Said that this a grant that is along side of USU Extension with Candace Shaible. The funding doesn't necessarily come from us, it will be through USU Extension. She is going to put together a row of homes that would have "smart-scapes" as a sort of conservation garden.

**Board Member Harris moved to adopt Resolution #2019-03-28-02 Commitment to the Bureau of Reclamation Funding Opportunity Bor-Do-19-F004 for the Smart Scapes: A Water Efficient Landscape Demonstration Street. Second by Board Member Myers. Motion Unanimous at 8:24 PM.**

**Roll Call as follows:**

**Hartley-Aye**

**Harris-Aye**

**Myers-Aye**

**Jones-Aye**

**Stratton-Aye**

**Hunter-Aye (1:29:11)**

**WAH WAH AND PINE VALLEY: UPDATE AND DISCUSSION AND CONSIDER THE PRIORITIZATION OF ENVIRONMENTAL CONSULTING FIRMS FOR THE PINE VALLEY WATER SUPPLY AND CONSERVATION PROJECT TO SUBMIT TO THE**

**BLM:** ▪Monroe-Said that we have received the bids for the Environmental Consulting Firms. That discussion will be moved to closed session.

▪Monroe-Said that the District received the West Desert water rights settlement. We received a total of 26,000. The only change from the original settlement is that a portion of the Pine Valley water can be used by Beaver County for 15 years before we are ready for the water. There is also 4,000 acre-feet in Wah Wah that has a fixed time agreement involved. **(1:33:47)**

**AQUIFER RECHARGE: UPDATE, DISCUSSION & CONSIDER APPROVAL TO PURCHASE MEASUREMENT DEVICES FOR OUR RECHARGE FACILITIES AND IRRIGATION COMPANIES:**

▪Monroe-Said that the State Engineer would really like data. We need to be able to prove that our aquifer recharge data is correct. Feltner and McKee attended the Rural Water Technology Alliance Conference. They received some bids and estimates for the data technologies. ▪Feltner-Said the one that stood out to him was the Campbell Scientific and Exact-Track. They have measuring devices similar to our current data loggers. They would be able to put it on our website to monitor all these measuring devices. We are currently monitoring 5 sites. All of the extra water is going to one of those places. He noted that it is important for us, as well as the State Engineer, to have this information. To do 7 sites we will be at about \$50,000. The Division of Water Rights will pay for about two thirds of that cost. Monroe-Said that Paul Bittmenn said that Cedar City had planned on getting their own as well, so The District will split the cost with them as well. Cozzens-Said Parowan may be interested in buying our old data loggers. ▪Monroe-Said that the District would own the online hub that other entities could use to determine the data. The yearly contract was about \$2,300 per year. There will be an annual cellphone bill as well. Maintenance would be paid to Rural Water Technology Alliance, which gives us access to exact-track and have them on call to help us.

**Board Member Jones moved to approve the purchase of measurement devices for recharge facilities and irrigation companies. Second by Board Member Stratton. Motion Unanimous at 8:39 PM. (1:44:07)**

▪Monroe-Said that the District will also be in contact with USGS to look into updating their information through these new technologies.

**PUBLIC COMMENT:** ▪Wilkey-Introduced himself as a licensed realtor in town. He mentioned that in the last 10 months. There were about 10 water rights that have been sold in Iron County, about 4 in Cedar City. He said that as the District is looking for a good appraiser for the Water Right Acceptance Policy, he thought we should keep that in mind.

▪Hunter-Said that Paul was appointed to the Water Users Association Board. He also said that Russel Limb is interested in doing this project even without the District. Or building pits to mine the gravel. ▪Cozzens-Mentioned his concerned that Cedar City mines a lot of gravel downstream, and if someone is mining upstream that could affect them. ▪Hunter-Said that if it is going to be done, it needs to be done fast so we can catch the spring run-off. ▪*There was some discussion in regard to who owns the gravel.* ▪Wayment-Said that Limb would need a stream alteration permit and it would need to be approved through Iron County as well.

*Carter Wilkey and Rex Shipp left at 8:48 PM.*

▪*There was continued discussion in regard to gravel and sand in the water.* ▪Jones-Said that if Russel Limb wants to do this then maybe the District needs to provide the design. He said that it needs to be designed properly. ▪Monroe-Said that the District should try to be involved. ▪*There was discussion in regard to the lease between Limb and the Roundy's.*

▪Jones-Suggested that we add to the agenda next time to draft an agreement between the Roundy's and Limb. Proposing that Limb adds the gabion baskets as well. ▪Hunter-Said that Limb would really like to get this done this year. ▪Wayment-Said that it probably won't happen this year, because of all the permits that have to be approved first. ▪*Discussion continued for several minutes in regard to all the permits that would need to be approved. (2:03:38)*

**WATER CONSERVATION: UPDATE AND DISCUSSION:** ▪Monroe-Said the District just had the 4<sup>th</sup> Grade Water Fair. It was the sixth year. He also introduced Jeff McKee as a new water operator at the District. **(2:04:30)**

**DISTRICT INFRASTRUCTURE IMPROVEMENTS:** ▪Monroe-Said we are still waiting on funding. **(2:04:50)**

**REVIEW DEEP WATER PROPOSAL FROM PRIMARY WATER RESOURCES & PRIMARY WATER TECHNOLOGY:** ▪Monroe-Began discussion on the deep-water proposal done by PWR and PWT. They would like to map the basin and tell us the best places to locate wells with their new mapping technologies. The total estimated cost would be \$48,000. This item will be discussed further next month. **(2:07:05)**

**DISCUSSION OF GROUNDWATER MANGAGEMENT PLAN AND LOCAL WATER RIGHT CHANGES:** ▪Jones-Said that the State is looking at doing cuts by u priority instead of equal amounts of cuts. Things are moving along towards making the GMP. **(2:08:01)**

**BOARD MEMBER REPORT:** ▪None. **(2:08:15)**

**ENGINEERING REPORT: UPDATE AND DISCUSSION:** ▪None. **(2:08:32)**

**Board Member Jones moved to change April's Board Meeting to Thursday, April 25<sup>th</sup>, 2019. Second by Board Member Harris. Motion Unanimous at 9:04 PM. (2:09:33)**

Next meeting date: April 25<sup>th</sup>, 2019.

**Board Member Stratton motioned to close the regular session and go into a closed session. Second by Board Member Harris. Motion unanimous at 9:05 PM.**

**Roll Call as follows:**

**Hunter-Aye**

**Stratton-Aye**

**Jones-Aye**

**Harris-Aye**

**Myers-Aye**

**Hartley-Aye**

**Board Member Jones motioned to adjourn the closed session and resume regular session Board Meeting. Second by Board Member Harris. Motion Unanimous at 10:02 PM.**

**Board Member Jones motioned to award the bid to Transcon based upon the Engineer's recommendation and potential cost overrun exceptions in Tetra Tech's proposal. And based upon the scoring which significantly favored Transcon and because of the overall ability by Transcon to move this project forward timely based upon the suitability of Transcon to complete its particular purpose including but not limited to time and schedule and delivery and due to the firm commitment of Transcon totality of bid. They provide the best assurance of completion on the bid schedule. I believe they are the best option for this study. Second by Board Member Stratton. Motion Unanimous at 10:04 PM.**

**Board Member Harris motioned adjourn the regular session Board Meeting. Second by Board Member Myers. Motion unanimous at 10:04 PM.**

**Meeting Adjourned at 10:04 PM.**