

Central Iron County Water Conservancy District
Public Hearing & Board Meeting Minutes
November 19, 2020



Board Members

Brent Hunter-Chairman
Tyler Allred
Terri Hartley
David Harris

Others in Attendance

Kyle Roerink-Great Basin Water Network
Joan Meiners-The Spectrum
Danny Stewart-Economic Development
Paul Cozzens-Iron County Commission

District Staff

Paul Monroe-General Manager
Mandi Williams-Office Manager
Tracy Feltner-Water Operator
Jeff McKee-Water Operator
Jessica Staheli-Public Outreach
Sommy Achebo-Water Operator Intern
Brianna Fliehmman-Office Intern
Kelly Crane-District Engineer
Curtis Neilson-District Engineer
Justin Christensen-District Engineer

CALL TO ORDER: •Board Member Hunter called the meeting to order at **6:48 PM**. Curtis Neilson lead the Pledge of Allegiance. Kelly Crane offered the invocation. Meeting start time was delayed due to the lack of a quorum. **(2:10)**

DECLARATION OF ABSTENTIONS AND/OR CONFLICTS OF INTEREST BY BOARD MEMBERS: •None. **(2:25)**

CONSIDER APPROVAL OF MINUTES FROM THE BOARD MEETING HELD OCTOBER 15, 2020:

•Board Member Harris moved to approve the minutes from the Board Meeting held October 15th, 2020. Second by Board Member Allred. Motion unanimous **6:50 PM**. **(2:33)**

CONSIDER APPROVAL OF PAYMENT OF BILLS AND ADJUSTMENTS OCTOBER 11, 2020 THROUGH NOVEMBER 13, 2020: •Williams-Went over the payment of bills.

There was a large payment for water sampling for the new well in Chekshani. On page 4 we started our work with Melynda Thorpe, she is helping with PR work. We renewed our treasurer bond for David Harris. A payment to remote control systems was made for the SCADA computer. There was a payment made for the WestView Connection Bore work. She had nothing to note for the transaction register that was unusual. It was mostly paperless billing credits and small account clean-up.

Board Member Harris moved to approve the payment of bills and the adjustments register from October 11, 2020 through November 13, 2020. Second by Board Member Hartley. Motion Unanimous at 6:53 PM. (5:15)

REVIEW 2020 FINANCIALS: •Monroe-Said we went over things extensively last month, so he would highlight a few things. He mentioned that Chekshani Well that was purchased, but that project will be paid for by a loan and the homeowners. There were some recharge project costs. He spoke about the Cedar Highlands Rehab Project and the Phase 3 water development project

in West Desert. We will end the year with a negative \$260,000, but some of the forecasts may be increased with revenue. As of now our water revenue is at \$730,000 and with a conservative budget, we would finish with \$830,000 which is an increase of \$100,000. We are still yet to receive \$906,000 for property taxes. His projection is that we will be about \$385,000 in the black by the end of the year. (7:14)

REVIEW 2021 FINANCIALS: •Monroe-Said overall on the 2021 budget we would be in the negative about \$10,000. The reason this has decreased is because of the Sunset Subdivision. They have deeded over \$115,000 to make improvements and that was included in 2020 budget, but it will come out of the 2021 budget. He went over the forecasted revenue for the District which is about \$830,000 which does not include the mines usage. If the mine continues to use all month long like they have been, it is likely we will exceed \$830,000. Property Tax revenue should come in at \$906,000 like it has been. Paul went over the condensed statement of cash flows to show the history of our budget in the past to ease their minds about maybe being \$10,000 in the red next year. The District has been able to put money away throughout the years by surpassing the anticipated revenue for the year. On the capital side of the budget, sunset subdivision was added into the budget. (11:12)

Board Member Harris motioned to close the regular session and open the Public Hearing on 2021 Proposed Budget. Second by Board Member Allred. Motion unanimous at 7:00 PM. (11:34)

PUBLIC HEARING ON PROPOSED 2021 BUDGET: •None. (12:28)

Board Member Harris motioned to close the Public Hearing on 2021 Proposed Budget and resume regular session Board Meeting. Second by Board Member Hartley. Motion unanimous at 7:01 PM. (12:42)

CONSIDER APPROVAL OF 2021 BUDGET:

Board Member Harris motioned to approve the 2021 Budget. Second by Board Member Allred. Motion unanimous at 7:01 PM. (13:11)

CONSIDER APPROVAL OF 2021 BOARD MEETING SCHEDULE & 2021 OFFICE HOLIDAY SCHEDULE: •Monroe-Said Meetings are the 3rd Thursday and holidays are the regular federal and state holidays. (14:05)

Board Member Harris motioned to approve the 2021 Board Meeting Schedule and 2021 Office Holiday Schedule. Second by Board Member Hartley. Motion unanimous at 7:02 PM. (14:17)

CONSIDER APPROVAL FOR RESOLUTION 2020-11-19-1 APPROVING AN INTERLOCAL AGREEMENT FOR THE ZION SOLAR COMMUNITY

REINVESTMENT PROJECT AREA: •Stewart-Said he would go over all of them. Zion Solar is a new project, but the others are amendments to push the start days back on two other projects that have already been approved. Zion solar is a new 80-megawatt plant that is planned on property immediately west of the current Three Peaks Project. There is about 1000 acres and 80

megawatts of storage and 80 megawatts of battery storage. Investment on this is about \$154 million dollars from the company. It will bring new revenue. The terms are very similar to the other projects like this. About 50% of new taxes would go to the developer and the remainder would come back to the taxing entities. This is a cra instead of a cda which requires 10% investment into new affordable housing. To summarize it, 100% of tax increment will go to the counties. They will use 10% of that for affordable housing. 2-3% will be held for administrative. 50% will go back to the developer for 15 years and the rest of it will go to the taxing entities. •Hunter- Clarified that after 15 years they will start paying their full property taxes. •Stewart- Said yes and said that there is a depreciation schedule. The budget is done on estimated figures, so the value of the project would be \$154.3 million after the project is completed. The estimated amount that would go back to the taxing entities after the project over the 20-year span would be \$11,999,112. Without the project the taxing agencies would collect \$2,800 over the same 20 years. The full assessment will happen after the completion of the project. The CICWCD estimated portion of this project over that same period is \$224,168. (19:30)

Board Member Harris motioned to approve Resolution 2020-11-19-1 Approving an Interlocal Agreement for the Zion Solar Community Reinvestment Project Area. Second by Board Member Hartley. Motion unanimous at 7:08 PM. (19:54)

CONSIDER APPROVAL FOR RESOLUTION 2020-11-19-2 APPROVING AN AMENDMENT TO THE INTERLOCAL AGREEMENT FOR THE APPALOOSA SOLAR I COMMUNITY REINVESTMENT PROJECT AREA & CONSIDER APPROVAL FOR RESOLUTION 2020-11-19-3 APPROVING AN AMENDMENT TO THE INTERLOCAL AGREEMENT FOR THE RUSH LAKE SOLAR COMMUNITY DEVELOPMENT PROJECT AREA:

•Stewart- The next project is with Appaloosa Solar and this project has been previously approved in October of 2017 and we are now making an amendment to push back the start date. The original intent was to start collecting taxes increment on it no later than the beginning of 2022. The Rush Lake Solar project was signed and approved on May 13, 2019 as a CDA and was set to be operating by the end of 2022. They have had some hold ups with community development projects and with pacific crop. •Hunter- Asked if the projects have to get the power companies to approve their construction timeline. •Stewart- Confirmed this. The first portion is for the power company to agree to a power purchase agreement. •Hunter- Asked if there is any data available to prove that the District benefits from these solar plants. •Stewart- Said that there is data that shows the amount invested so far but mentioned that he will meet with Dan Jensen to go through all of the data and put it in a spreadsheet to present to the board. Including all 3 of these projects would put us at 17 utility scale projects and over 1.5 billion invested and over 10,000 acres of solar panels in Iron County. •Hunter- Asked if there is any data available for how much electricity is being produced? •Stewart- Once those three projects are on it will be producing over 1.2 gigawatts. He reiterated that he is getting amendments to push the start dates back and that in January of 2025 is when they will be available to start collecting tax increments. (25:18)

Board Member Harris motioned to approve Resolution 2020-11-19-2 Approving an Amendment to The Interlocal Agreement for the Appaloosa Solar I Community Reinvestment Project Area & Resolution 2020-11-19-3 Approving an Amendment to the Interlocal Agreement for the Rush Lake Solar Community Development Project Area. Second by Board Member Allred. Motion unanimous at 7:13 PM. (25:49)

CONSIDER APPROVAL OF CICWCD MASTER PLAN & WATER CONSERVATION

PLAN: ▪Monroe & Neilson-Went over a presentation regarding the CICWCD Master Plan (Link to Presentation: <https://cicwcd.org/wp-content/uploads/2020/11/PRESENTATION-Water-Master-Plan-2020.pdf>) The Main topics were the District's goals, peak day demand, source and storage capacities, system size, water rights, water conservation. There was some discussion regarding the LESA/LEPA systems between Paul Cozzens and Brent Hunter. The presentation then went on to hydraulic modeling, the District's future outlook, water supply and demand, groundwater level trends, conservation, recharge, current priorities and projects, Quichipa project, reuse projects, conservation projects, coal creek channel widening, dispersing high discharge wells, Bridal Path Tank, WECCO Well Project, Aquifer Balance Project, Chekshani Well Project. He briefly mentioned the water sample results for the new Chekshani well and its comparison to the old well. He started back on the presentation mentioning the Highway 56 Booster Station, Cedar Highlands Spring Rehab, Northridge Tank Project. Then he moved on to Water Rates and Schedules. ▪Neilson-Then went over the Impact Fee Study, mentioning the water system valuation, proposed impact fees. ▪Monroe-Said that this study references state code and aligns closely with those codes. **(1:15:11)**

Board Member Harris moved to approve the CICWCD Master Plan and Water Conservation Plan. Second by Board Member Hartley. Motion Unanimous at 8:03 PM. (1:15:28)

PUBLIC COMMENT: ▪Cozzens-Said that Feltner has been doing a great job on the projects. ▪Hunter-Said he was impressed with the work has been done. ▪Monroe-Expressed appreciation for the help from Cozzens and his time he has donated to work out in the area. **(1:17:24)**

AQUIFER RECHARGE: UPDATE & DISCUSSION ▪Monroe-Said Mckee just finished up the diversion out at Western Rock. He welcomed anyone to go on tour of the facilities. **(1:18:19)**

WAH WAH AND PINE VALLEY: UPDATE & DISCUSSION: ▪Monroe-Said that we are working on going through comments given by the BLM and using that to work up a draft EIS. The BLM has used their funding and they are requesting \$77,000. If that money is not all used, it will be given back or used towards another future project or monitoring. That request will be used within the current budget year. The Board approved the funding request. ▪Crane-Said they are happy with where things are headed. **(1:20:15)**

CHEKSHANI CLIFFS: UPDATE & DISCUSSION: ▪None. **(1:20:31)**

CEDAR HIGHLANDS: UPDATE & DISCUSSION: ▪None. **(1:20:31)**

SUNSET SUBDIVISON: UPDATE & DISCUSSION: ▪Monroe-Discussed the potential of partnering with the Hope Group and Henrie's Place for a new well. They looked at one well, but it was not suitable. Henrie's Place already had a well driller scheduled; it is just the decision of whether they want to help each other on the well. ▪Allred-Voiced concern about the tank. There was short discussion in regard to the tank between Feltner and Allred. ▪Monroe-Asked the Board

what the extent of our participation would be for this well if the two groups want us to go in on it. (1:25:02)

DISTRICT PHASE III: UPDATE & DISCUSSION: ▪Monroe-Those projects were discussed within the Master Plan. More Discussion in regard to this will be discussed in close session. (1:25:22)

WATER CONSERVATION: UPDATE AND DISCUSSION: ▪Staheli-Said she is working on scheduling another Localscapes Class for the community through SUU. That is going to be held in March. (1:25:48)

GROUNDWATER MANGAGEMENT PLAN AND LOCAL WATER RIGHT CHANGES: ▪Hunter-Said we had a meeting with the state engineer, and it will be approved the way it was. (1:26:15)

GENERAL MANAGER'S REPORT: OPERATIONS & PUBLIC EDUCATION: ▪None. (1:26:34)

BOARD MEMBER REPORT: ▪None. (1:26:42)

ENGINEERING REPORT: UPDATE AND DISCUSSION: ▪None. (1:26:52)

Next meeting date: January 21, 2021

Board Member Harris motioned to close the regular session and go into a closed session for contracts, imminent litigation, or acquiring real property and/or water rights. Second by Board Member Allred. Motion unanimous at 8:16 PM. (1:27:54)

Roll Call as follows:

Hartley-Aye

Harris-Aye

Allred-Aye

Hunter-Aye

Board Member Harris motioned to adjourn the closed session and resume regular session Board Meeting. Second by Board Member Allred. Motion unanimous at 8:57 PM.

Board Member Harris motioned adjourn the regular session Board Meeting. Second by Board Member Allred. Motion unanimous at 8:57 PM.

Meeting Adjourned at 8:57 PM.