

Central Iron County Water Conservancy District  
Special Board Meeting Minutes  
June 27, 2021



**Board Members**

Brent Hunter-Chairman  
Tyler Melling  
David Harris  
Tyler Allred  
Terri Hartley (online)

**District Staff**

Paul Monroe-General Manager  
Jessica Staheli-Public Outreach  
Curtis Neilson-District Engineer (online)  
Justin Wayment-Legal Counsel

**Others in Attendance**

Dan Maruyama-Henry's Place (online)  
Blaine Hoefling-The Hope Group  
Nathan Hoefling-The Hope Group

**CALL TO ORDER:** ▪Board Member Hunter called the meeting to order at 2:02 PM. **(0:20)**

**DECLARATION OF ABSTENTIONS AND/OR CONFLICTS OF INTEREST BY BOARD MEMBERS:** ▪None. **(0:30)**

**CONSIDER APPROVAL OF AN AGREEMENT BETWEEN THE DISTRICT AND THE HOPE GROUP FOR A LINE EXTENSION AND CONTRIBUTION TO A NEW**

**SOURCE:** ▪Monroe-Introduced Blaine and Nathan from Hope Group and said Dan from Henry's Place was online.

▪*Justin Wayment arrived at the meeting.*

▪Monroe-Said the agreement is between the Hope Group, Henry's Place, and the District. There were just a few changes that we wanted to make sure the Board is ok with it. One of the changes was the cost, as the cost is clearer at this time. We have the well purchase agreement that has been signed by the Vandenberghes. We approved the agreement a few weeks ago, but Hunter needs to sign it now. ▪Hunter-Said we will be re-casing this well, and voiced his approval of the purchase.

▪*Issues with the online audio delayed the discussion for a several minutes.*

▪Monroe-Wondered if the District wanted to go ahead and purchase the pipe that we will be putting in as part of the agreement to purchase this well. ▪Wayment-Said we have heard that cost will be going up next week. There was some discussion in regard to ordering the pipe now to lock in a price even though it doesn't need to be used right now. ▪Melling-Asked if we would be able to use the pipe in the event of the agreement not going though. Monroe-Said yes. ▪Allred and Melling-voiced approval of purchasing the pipe. ▪Monroe-began discussing the agreement again. Water rights were included in the agreement. Included the current well drillers estimate, and pipe cost estimates. The different alternatives are in the agreement. He showed the cost breakdown per entity. The well cost is evenly divided between each entity. Additionally, the District was going to add some different things and sources, but now we will be splitting it

equally. ▪Wayment-Said we are all going to split it equally, so we all get the same deal. We all pay the same and all win. This is just for the well. The other entities will pipe what they need to connect to the system. ▪Monroe-Said Hope Group will pipe to the north, and Henry's Place will pipe to the south and will have to add a booster station to pump water to their organization. He went over cost estimates for the well. The retrofitting will equal \$129,819. The Hope Group will pay overall \$213,000 for their portion of the project total. Henry's place will pay a total of \$135,000 for their portion of the project. ▪Wayment-Said the Hope Group is ready to go now, so we did a "supplement to water service agreement". This will give Henry's place a little more time to decide since Maruyama still needs to speak with Board Members. This says that Hope Group will pay for half with the District if Henry's place ends up not joining the agreement. Henry's place needed some hard numbers in the agreement in order for their board to approve, so this agreement helps with that. This will also allow us not to have to connect to Cedar City for an emergency connection.

▪Maruyama-Said he is excited about this proposal. The only big thing is that he thinks that management of the construction costs needs to be clarified in the agreement. Who is responsible for what? If the District wants to drill the well deeper or the like, who pays for that? He said he just needs to clarify these for the his board. ▪Monroe-Stated that the District will control the installation and will inspect. ▪Wayment-Said we need to monitor that it goes in correctly. ▪Maruyama-Said he just wants to make sure that there is a clear path so all entities can have input. We want to make sure we know what we are splitting. ▪Wayment-we will follow drinking water standards. ▪*There was discussion for several minutes regarding Maruyama's concern about making the agreement as clear as possible in regard to potential costs.* ▪Monroe-Said we could outline the costs, and say the project ends up going above a certain cost, then we need to reevaluate the agreement. ▪Allred-Said in the future, if we have to go down deeper, then the District would most likely be covering that expense. ▪Wayment-you could go drill a well, and potentially not get anything, so this agreement helps with a lot of the risk. ▪Maruyama-Said he is in favor of this agreement, but he has to address the issues his board has. ▪Monroe-Said could we approve this if there was cap, and if it exceeds the cap then we could re-evaluate. ▪Maruyama-Said he thought that could be helpful depended on where the cap was, but he didn't think we need have to have the cap; they just don't want to sign up to pay for someone else's project, just our own project. ▪*There was more discussion for several minutes about the risks of drilling a well and the possibility of Henry's place waiting to sign the agreement. There was also discussion regarding the 3-way split.*

▪Wayment-Said we could put a clause that says we will not deepen the well or add more improvements unless needed by drinking water standards. If we decide to do this, then we will need to pay for the upgrades. Maruyama-Said he thought that would be helpful. Melling-Clarified that this is in regard to State of Utah Drinking Water Standards. ▪Wayment-Said he will amend the agreement to say that we will bring the well to drinking water standards, and if we upgrade any more than that then the District will pay for the upgrades ▪Maruyama-Said he also didn't think the additional pump related to their costs needed to be in the agreement.

**Board Member Harris moved to approve the agreement between the District and Henry's Place & the Hope Group for a line extension and contribution to a new source with the provision that we will bring it to drinking water standards, and the district will incur costs if upgrades are made above that standard, and also that the fire flow brought to comply to**

**legal requirements involved. Second by Board Member Allred. Motion unanimous 4:38 PM.**

**Board Member Harris moved to approve the supplemental agreement between hope group and the district. Second by Board Member Allred. Motion unanimous at 4:39 PM.**

*▪The Board voiced approval in moving forward with purchasing the pipe for the project.*

**Board Member Harris motioned adjourn the regular session Board Meeting. Second by Board Member Allred. Motion unanimous at 2:40 PM.**

**Meeting Adjourned at 2:40 PM.**