

Central Iron County Water Conservancy District  
Board Meeting Minutes  
October 14, 2021



**Board Members**

Joel Myers  
Tyler Melling  
Tyler Allred  
Spencer Jones  
Terri Hartley

**District Staff**

Paul Monroe-General Manager  
Mandi Williams-Office Manager  
Tracy Feltner-Water Operator  
Jessica Staheli-Public Outreach  
David Shinost-Water Operator  
Curtis Neilson-District Engineer  
Kelly Crane-District Engineer

**Others in Attendance**

none

**CALL TO ORDER:** •Board Vice Chairman Myers called the meeting to order at 6:34 PM. Tyler Melling lead the Pledge of Allegiance. Spencer Jones offered the invocation.

**DECLARATION OF ABSTENTIONS AND/OR CONFLICTS OF INTEREST BY BOARD MEMBERS:** •None. **(1:25)**

**CONSIDER APPROVAL OF MINUTES FROM THE BOARD MEETING HELD SEPT 16, 2021:**

**Board Member Allred moved to approve the minutes from the Board Meeting held September 16, 2021. Second by Board Member Jones. Motion unanimous 6:38 PM. (2:40)**

**CONSIDER APPROVAL OF PAYMENT OF BILLS AND ADJUSTMENTS SEPT 10, 2021 THROUGH OCT 8, 2021:** •Williams-Highlighted a water right security deposit that was

given back to a customer when their water right was approved. A payment was made to Chemtech Ford for water sampling. We received a pay request for Ensign's work on the Chekshani Water Improvement Project. We also made a payment to Munford from the loan funds for that same project. She highlighted the USDA loan payment. Previously there were 2 loan payments being made to the USDA with the addition of the Chekshani Project there will be a total of 3 monthly payments to their office. There was a payment to Woolsey Land Surveying for Subsidence Monitoring. She then went over the credit and debits register. There were multiple return payment fees and paperless billing credits. She also highlighted the yearly certified liens that were recorded with the county this month.

**Board Member Hartley moved to approve the payment of bills and the adjustments register from September 10, 2021, through October 8, 2021. Second by Board Member Melling. Motion Unanimous at 6:42 PM. (6:40)**

**REVIEW 2021 FINANCIALS:** •Monroe-Highlighted the water revenue that the District has received so far this year. The books, memberships, and subscriptions line is over budget because of two payments to UASD as a billing error, they billed twice within the same year. He highlighted the utilities line because of the increase power consumption of the mine. He highlighted that the PR budget line that was over. We have been able to put together a lot of

good brand resources that can help us for the future years. Next year's PR budget is proposed as a lower cost because most of our resources have already been built. He highlighted property tax revenue and state grants for the Quichapa Project. We have applied for more grants for work on Coal Creek, but we have not been notified yet of a decision. He then highlighted the capital side of the budget. He highlighted the direct purchases. We had budgeted money for a maintenance facility for our operators and new trucks, but neither of these were used this year. We are enrolled in a truck program but haven't been able to get a truck yet. We have a big project and Sunset and would like to purchase a mini excavator for that project. Feltner and Mckee have looked for prices on this. ▪Feltner-Discussed some of the different models that they have been looking into. ▪Monroe-Can we purchase a mini excavator instead of the truck, since we cannot get a truck right now? We think that it would be a wise investment. ▪*There was discussion for several minutes between Monroe, Allred, Jones, Myers, and Feltner regarding which would be the best type of mini excavator for the District. They also discussed availability, cost, companies, etc.* ▪Monroe-Said we will continue to get bids and information, and we will consult the Board next month. (23:13)

**REVIEW & DISCUSS CICWCD 2022 PROPOSED BUDGET:** ▪Monroe-Started the discussion of the 2022 budget. There was a budget meeting held with the executive committee: Myers, Hunter, and Harris earlier this week. There are a few adjustments to the budget since that meeting that are based on some recent staff discussions. He gave a quick overview of the budget. The District has increased their net position as well as cash on hand. He showed the forecast in revenue. Our projection on revenue this year is \$1.1M mostly because of revenue from the mine and an increase in customers. This year we added around 90 connections. He went over the tax revenue. We will receive over the next two months our tax revenue. He went over the connections and revenue that we have had over the last few years. Water revenue in 2021 is projected 1.1M. Next year we have budgeted 75 new connections. He went over property tax revenue, uses of funds, operations and maintenance increase. Bond interest has increased because of the loan for Chekshani Cliffs as well as principle. Capital purchases increased as well. He is going to look over the variants on his spreadsheet calculation as there was an error. Water revenue is proposed \$1M with a proposed 75 new connections. Most other things were increased at 2%. Under the operating expense, administrative salaries, that increase is because we hope to get a new office employee. We need to let Staheli focus on Public Relations and have the new employee work on the clerical and accounts work. Employee raises are included in that number as well. He went over the fuel, equipment and supplies line that was increased due to recharge project generator use. The office lease expense and utilities increased last year. The Professional and Technical has increased (that is primarily for engineering). PR decreased because we have most of our assets put together now. There was an increase for credit card payments, and an increase for water operator salaries per raises. The next significant increase is for water system repairs. He'd like to increase that an additional \$15,000 due to tank cleaning and maintenance that we need to start doing on a rotating schedule. He went over property taxes again. ▪*There was discussion for several minutes regarding the connection projection for next year. There are many new subdivisions being installed. The Board thought that 75 was a good estimate. That portion of the budget will be revisited in the future if necessary.*

▪Monroe-Said on the capital side of the budget, we are wrapping up the Chekshani Project. For Coal Creek Recharge, we have \$100,000 placed there but that could go up if we receive grants. We have a place holder of \$250,000 for PVWS Project line. ▪Crane-Asked if the District could

get a weather station with that budget. ▪Monroe-Said a weather station could either come out of this year's budget or last year. ▪Crane-Said they cost between \$25-50,000 and it would have live data for solar, wind, moisture. ▪Allred and Jones-Voiced that it would be a good investment. ▪Jones-We need the hard data. ▪Crane-Said we could install, or they could install it. Campbell Scientific is a Utah based company that is the standard for this type of product. ▪Jones-This data would help with public relations. ▪Monroe-Said there is money left over this year that we could use for the weather station. We will bring it back to the Board next month. (49:49)

▪Monroe-Then went into the Land and Water Rights line. ▪Melling-Wondered if the District had money earmarked for acquisition. ▪Monroe-Said only the money that is listed in the land and water rights budget line. We are pretty solid with water rights even through the GMP. The third cut we get hit significantly, but we have optimism that we will have a solution by that point. Rather than put money into water rights, we put more money into solutions. Water rights are hard to come by currently. ▪Jones & Melling-Mentioned some discussions among Cedar City for their water right acquisition policy. ▪*There was discussion regarding Cedar City's acquisition policy draft for several minutes.* ▪Monroe-Went over the building and structures line. There is money that we could use for a maintenance facility. He mentioned the water systems and pumps 10-year line for meters. He went over the machines and equipment line for the backhoe and the office equipment line for computers, servers, etc. He mentioned the autos and truck line that was increased so that we can get new trucks next year. He mentioned the principal payments and net income. On the operational side, we would also like to conduct some studies. We would like to do one for the Wastewater Treatment Plant. It is difficult to know how much water is actually available through the WWTP due to the GMP and how depletion vs. diversion is calculated. We'd like the State to partner on this study as we need their direction for planning purposes. ▪*There was some discussion regarding this topic for several minutes.* ▪Monroe-Could we add another \$40-45,000 as a place holder for the study. Over the years, we have budgeted a break even, and on average we are over what we usually bring in revenue wise. It is typically a conservative budget. It is not likely this will cause an issue without unforeseen circumstances. ▪Myers-Said he thinks it is necessary to prove where the endpoint is in regard to the WWTP. We need to know if we do the WWTP then it will help with cuts or other things. ▪Jones-Said he thinks it is a good thing to do, and we want the State to be part of the data. ▪Hartley-Said she thought the city would want to be involved. ▪Monroe-Said at the very least, the State will need to give us comments. He will add to the budget \$15,000 for the tanks and \$40-45000 for the WWTP study. We will have a public hearing next month on the budget, and hopefully approve it at that time so we don't need to have a meeting in December. We do want to have a Christmas Party sometime at the first of December. (1:07:02)

### **CONSIDER THE APPROVAL OF AGREEMENT BETWEEN HOPE GROUP,**

**HENRY'S PLACE, AND THE DISTRICT:** ▪Monroe-Said we have an agreement that has been signed by Henry's Place and Hope Group. Justin Wayment and Monroe sat down with Dan Maryama with Henry's Place and went over their concerns. Basically, it is the same agreement as before, other than removing the possibility of drilling a new well. It only includes the purchase of the Vandenburg well. If the purchase doesn't work out, then we will come together and negotiate the possibility of a new well. It doesn't substantially change from last month except for the possibility of a new well. ▪Jones-Mentioned that he is worried about the safety hazard of the old wiring of the current well there. ▪Monroe-We need to get the power cut as soon as we take

possession of that well or maybe even before we take possession due to the safety hazard. Feltner will coordinate that with the current well user. We will also be putting a Conex box on it when we take possession. Both the other parties have signed the agreement.

**Board Member Melling moved to approve the agreement between Hope Group, Henry's Place, and the District. Second by Board Member Hartley. Motion Unanimous at 7:48 PM. (1:13:00)**

**PUBLIC COMMENT:** ▪None. (1:13:19)

**CHEKSHANI CLIFFS: DISCUSSION AND UPDATE:** ▪Monroe-Said we had a Chekshani HOA Meeting on October 6<sup>th</sup>. We spoke with the folks down there. We put together a letter in response to there comments and concerns. We have built a website page based on transparency of the project. It has all the information and documents regarding the project. In six weeks we hope to have all the construction materials, but we are waiting on some valves. We hope to deliver water to them at the first of the year. Once the project is done, we will hold Board of Equalization Hearings for the Assessment Area. This will allow people to voice concerns about the assessment. Then it will be taken back to the CICWCD Board to make a decision and finalize the total assessment. (1:15:45)

**SUNSET SUBDIVISION: UPDATE & DISCUSSION:** ▪Monroe-Said we talked about the mini excavator to install pipeline out there. (1:16:00)

**WATER IMPROVEMENT PROJECT 2021: UPDATE & DISCUSSION:** ▪Monroe-Said the USDA signed off on the environmental study. ▪Crane-Said that goes through two public processes. It all stays in local papers. ▪Monroe-Said there was just an announcement that said an additional 272M is going into that USDA fund as well. We are in a good situation now with interest rates as low as they are. This could be a good opportunity to put in new infrastructure. (1:18:15)

**PINE VALLEY WATER SUPPLY PROJECT: UPDATE & DISCUSSION:** ▪Monroe- Stated that our EIS still has not been published. It has been signed by the BLM, and we have reached out to some of our congressional delegation to push things along. But it is sitting at the Department of the Interior waiting to be published on the federal registry. We are starting to see some negative press from the outside environmental activists. They have started a website called "Iron County Water Conservatives". We will probably start seeing ads pushing people to this website. They are telling the community that they will see an 800% increase on their bill. ▪Melling-Said misinformation is easy to dispel with accurate facts. ▪Monroe-Said there is an organization that is trying to get the Least Chub listed as an endangered species and they directly tie that to the project. Contrary to what they are saying, we have studied and analyzed the impacts. The models show there will be less than 1% impact on springs in the area, and there are mitigations strategies in place. There is a lot that we are going to hear, and a lot of truth that we are going to need to push out to the public. That is partly why we need a new employee so that Staheli and Monroe can focus on these issues. ▪Allred-Said these environmental groups have a lot of influence in the world. ▪Melling-Said we need to explain to people the impact to their

water bill and taxes if the PVWS doesn't go through, and how it might take away agriculture. He said the more factual information we can get to our local residents, the better. The groups are quoting numbers from reports we have done, but it is taken out of context. As it is a number that assumes the District and its customers will take on the whole cost, which is not how the project would work. We ran the numbers, and if all the current water users in the valley contribute to the project through user fees, it would increase their bill about \$50 per month. That doesn't include opportunities from taxes, impact fees or grants. ▪Myers-Said we need to show them the difference of what water bills might look like with or without the project. ▪Jones-Suggested that the District hold a large community meeting to educate the public about the PVWS Project. This should be pushed through social media and held in the next 30-45 days. It needs to be held in a large venue to accommodate the public. ▪Melling-Need to have key stakeholders attend. People need to learn more about our water budget and how our aquifer works. ▪Jones-Suggested that Nathan Moses from DWRi should present on the GMP Plan and then choose a few others to present as well. ▪Hartley-Suggested that it should be jointly sponsored by the cities. ▪Jones-Said there could be a panel. ▪Melling-Said keep the presentations to about 30 minutes, and then figure out the best way to take comments and questions during the last portion. ▪Monroe-We want to be really open with comments and let people know that we want their opinions and comments. We could ask people to submit comments beforehand and have the questions answered by a panel. ▪Jones-It'd be good to have a panel that is a mixture of stakeholders in the community. There should be multiple ways for people to comment to accommodate for the different audiences that might be there. ▪Monroe-Said this would align well with the federal registry public comment period. We need to bring back the water advisory committee and other key publics as well. This should be held around the first week of December. ▪*The Board was in agreeance that this meeting needs to be held to get in front of the negative press and make sure that the local community knows the facts and data.* (1:42:53)

**WATER CONSERVATION: AQUIFER RECHARGE:** ▪Monroe-Said we have been able to put a lot of water in the ground this month. We have opened up Western Rock and Horse Alley. ▪Feltner-Said it is all going north now to Western Rock Pit. (1:44:05)

**WATER CONSERVATION: REUSE WWTP WATER:** ▪Monroe-Said the County, the District, and Enoch have all signed the MOU for the WWTP project. We are just waiting to receive it from Cedar City. (1:44:52)

**SUBSIDENCE MONITORING REVIEW & DISCUSS REPORT FROM WOOLSEY**

**LAND SURVEYING:** ▪Monroe-Said Woolsey Land Surveying has compiled the data. Enoch Graben has dropped 9 inches in 7 years. We have this scheduled for surveying every other year. This year we only surveyed Enoch. We survey the other areas every other year. ▪Melling-Wondered if this data is published on our website. ▪Monroe-Said it is not currently published on our website. ▪Melling-Suggested that this data would be good for the website to give to the public. It helps illustrate the issues we have in this valley. ▪*There was discussion regarding well correlation with these monument sites for several minutes.* (1:52:29)

**GENERAL MANAGER'S REPORT: OPERATIONS & PUBLIC EDUCATION:** ▪Monroe-Said we covered most things in operations. We appreciate the feedback about holding a PVWS meeting. He expressed appreciation for the operators and staff. (1:54:04)

**BOARD MEMBERS REPORT:** •None. (1:54:25)

**ENGINEERING REPORT: UPDATE AND DISCUSSION:** •Crane-Said he just got an email from Campbell Scientific about the weather station. They will get us some bids. With the Water Improvement Project, we are excited to get that going. We have been holding off on the design, until we get funding in place, but we'd like to get that going quickly once we get authorization. We should get some good bids if we can hurry. (1:56:08)

**NEXT MEETING DATE (& PUBLIC HEARING):** November 18<sup>th</sup>, 2021

**Board Member Jones motioned adjourn the regular session Board Meeting. Second by Board Member Melling. Motion unanimous at 8:32 PM.**

**Roll Call as follows:**

**Hartley-Aye**

**Jones-Aye**

**Melling-Aye**

**Allred-Aye**

**Myers-Aye**

**Meeting Adjourned at 8:32 PM.**