

Central Iron County Water Conservancy District
Public Hearing & Board Meeting Minutes
November 18, 2021



Board Members

Brent Hunter
Tyler Melling
David Harris
Spencer Jones (connected by phone)
Terri Hartley
Joel Myers

District Staff

Paul Monroe-General Manager
Mandi Williams-Office Manager
Tracy Feltner-Water Operator
Jessica Staheli-Public Outreach
Jeff McKee-Water Operator
David Shinost-Water Operator

Others in Attendance

Clint Rogers-Stantec Engineers
Robert Tuckett-Midvalley Estates Water
Scott Phillips-Cedar City Council

CALL TO ORDER: •Board Chairman Hunter called the meeting to order at 6:33 PM. Terri Hartley lead the Pledge of Allegiance. Justin Wayment offered the invocation.

DECLARATION OF ABSTENTIONS AND/OR CONFLICTS OF INTEREST BY BOARD MEMBERS: •Paul-Mentioned that Spencer Jones was joining via phone call and Tyler Allred was not able to make it to the meeting. **(2:15)**

CONSIDER APPROVAL OF MINUTES FROM THE BOARD MEETING HELD OCTOBER 14, 2021:

Board Member Harris moved to approve the minutes from the Board Meeting held October 14, 2021. Second by Board Member Hartley. Motion unanimous 6:36 PM. (2:45)

CONSIDER APPROVAL OF PAYMENT OF BILLS AND ADJUSTMENTS OCTOBER 9, 2021 THROUGH NOVEMBER 11 2021: •Williams-Highlighted refund for a water right security deposit. There was a well protection zone payment for the sunset well. There was a payment to Munford General Contractors for Chekshani Cliffs. There was a payment for SCADA for the new Chekshani well. There was a large postage increase for customer billing so we added some funds to make sure we could get through the end of the year.

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 Harris. Motion Unanimous at 6:38 PM. (4:34)

•Williams-Went over the credits and debits register. There was some account cleanup and liens for properties.

REVIEW 2021 FINANCIALS: •Monroe-Highlighted the 2021 budget, and mentioned that it was discussed in lengthy detail last month.

▪Myers arrived at 6:39PM.

Monroe-Said nothing changed on the operation side of the budget. The District received about 40% of the property tax revenue, and we expect to get a large amount for the rest soon. He moved on to the capital side of the budget and spent some time discussing the autos and trucks line and the purchase of a mini excavator. There was also money for a maintenance facility that was not used this year. The District should end the year just under \$300,000 in the black. We feel confident in where we are at, so there are some additional resources to purchase a mini excavator through this year's budget. We will talk more about this later in the meeting. In the 2022 budget it does show a little bit better the forecasting for 2021's budget. That shows expenses and projected revenues. (10:00)

Board Member Harris moved to close the regular session board meeting and open a public hearing on the proposed 2022 Budget. Second by Board Member Harris. Motion Unanimous at 6:44 PM.

PUBLIC HEARING ON PROPOSED 2022 BUDGET: ▪Hunter-Invited the public to present any comments or questions about the proposed 2022 budget. ▪Monroe-Said the proposed budget was posted on our website and we went into details at last month's meeting. He went over a few adjustments that were made since last month's discussion. One adjustment was for tank cleaning maintenance and repairs. There was also an adjustment for the Chekshani Project that was reduced. There was an increase to the PVWS line for studies. Bottomline, ending capital resources is projected to be \$150,450 in the black. He mentioned that the administrative salaries line includes bringing on another office employee. As well as water operator line, that includes paying an inspector for projects. The utility increase is largely due to the mine water use.

▪There was no public comment.

Board Member Harris moved to close the regular session board meeting and open a public hearing on the proposed 2022 Budget. Second by Board Member Hartley. Motion Unanimous at 6:47 PM. (13:26)

CONSIDER APPROVAL OF PROPOSED 2022 BUDGET:

Board Member Harris moved to approve the Proposed 2022 Budget. Second by Board Member Myers. Motion unanimous 6:47 PM. (13:56)

CONSIDER APPROVAL OF 2022 BOARD MEETING SCHEDULE & 2022 CICWCD HOLIDAY SCHEDULE: ▪The Board looked over the proposed board meeting schedule and holiday schedule. ▪Hunter-Mentioned that the Board Meetings are scheduled for the third Thursday of each month.

Board Member Harris moved to approve the 2022 Board Meeting Schedule and 2022 CICWCD Holiday Schedule. Second by Board Member Myers. Motion unanimous 6:49 PM. (15:31)

CONSIDERATION FOR A WAIVER OF CONNECTION AND IMPACT FEE FOR

ERIC NILSSON: ▪Monroe-Said we went back through and took a deeper look at our resolution and spoke with Reed Erickson from the county about this matter. Our resolution says that if someone builds a guest home that is greater than 800 sq. ft. then they need to bring in more water rights. We had originally thought that there needed to be a separate impact/connection fee incase that lot splits, but we took a deeper look and got more clarification. Erickson said that if that lot does split than they would have to create a new subdivision and at that point would have to do a separate connection. We now fill comfortable that if it is greater than 800 sq. ft. that they must bring in extra water rights, but not have to have a separate connection. It is fairly difficult to split the lot, and many things must be done first with the county, for example sewer requirments. Nilsson has already transferred 2 acre-feet of water rights, so that would be enough to cover the guest house. Staff members are comfortable with moving forward without the separate connection, but he asked the Board if they were comfortable with it. ▪Melling-Asked if this related to the county’s discussions about accessory dwellings. ▪Paul-Said he wasn’t sure if that was related but said that when we discussed this with the county, and their threshold for a guest home was anything over 800 sq. ft. ▪*No motion necessary. The Board was in agreeance that a connection/impact fee was not required for a guest home. (19:23)*

CONSIDERATION OF AN AGREEMENT FOR THE PAINTED DESERT

SUBDIVISION: ▪Monroe-This will need to be discussed in closed session due to land acquisition. **(20:33)**

PUBLIC COMMENT: ▪None. **(20:59)**

CHEKSHANI CLIFFS: DISCUSSION AND UPDATE:

▪Monroe-Said the project is finally gaining some traction. We should have all the valves in another week. They are working to install the pump. We just need the electrician and SCADA guys to install to come do their part. Instead of building a block and concrete well house, we put a Conex box on it. It has been framed and painted. We are just waiting for electrical to be installed and then it will be insulated. They painted it to keep it cooler in the summer. This saved about \$60,000 for the structure. ▪Feltner-Said they did the pressure test a few days ago. We need to finish the new well house, and then cut the old wellhouse to match up with the new one. Things are progressing well. ▪Monroe-Said there will be a process at the first of the year to finish up the assessment area. We are looking at \$3,800 per lot. There will be a few boards of equalization hearings after so that the community members can come and discuss any issues with the cost. **(25:14)**

SUNSET SUBDIVISION: UPDATE & DISCUSSION:

▪Monroe-Said we started cutting in some laterals and will start installing pipe in December. We have bids out for well drillers to retrofit the well and put in a surface seal. We will be doing a Conex box there as well for the well house. We will be able to tie it into the regular system and we should be able to get that in quickly with the potential of the mini ex purchase. He began the discussion of the mini ex purchase/bids. ▪McKee-Discussed a few of the options and said that their suggestion would be the Caterpillar. ▪Myers-Said the Caterpillar is a good machine. ▪Monroe-Would you justify paying the extra \$8,000 more for the Cat? ▪Myers-Said from a business standpoint, yes. Performance is highest as far as maintenance and most other things. They are also local.

▪McKee-Cat is available by end of this year. Case is available June. ▪Feltner-The Cat machine compared to the Kobelco is larger in weight and has more power. That would be our preference. ▪Wayment-Did you check on servicing? That makes a difference. ▪Feltner-Said Cat, Case, and Kobelco would all have good servicing in town. ▪*The Board voiced their approval for purchasing the Caterpillar mini excavator. (31:22)*

WATER IMPROVEMENT PROJECT 2021: UPDATE & DISCUSSION: ▪Monroe-Said the USDA had a few items that we needed to clean up. One was a letter from Wayment and some additional advertising. We got that published in the paper. There is funding available, and they are excited to see the project come through. He shared some info about the ARPA funding. With the new infrastructure plan that was passed, we are going to try to put that to good use here. Monroe has been talking with Representative Rex Shipp to get funding from the legislature for engineering of the PVWS Project. He introduced Clint Rogers with Stantec Engineers. Stantec has been helpful in directing us to some of these funding opportunities. (33:25)

PINE VALLEY WATER SUPPLY PROJECT: UPDATE & DISCUSSION: ▪Monroe-Stated last month we talked about putting in a weather station. We looked more into that and to get a system put in out there it is \$40,100 for install and the system from Cambell Scientific. There wasn't anything else that materialized. Cambell Scientific is well known in Utah. They do all our data loggers and stream gauges for recharge. There is \$200,000 from 2021 budget in the buildings and infrastructure that it could possibly come out of. There are plenty of resources from 2021 that we could put towards the weather station if the Board would like us to move forward. We need to find a cell provider so that we can get live data and monitoring since it is far away. ▪*There was brief discussion regarding cell coverage in that area.* ▪Monroe-Said the Environmental Impact Statement as been sitting in the Federal Office for 6 weeks. It just needs to be published on the public registry. It has been approved by the state, regional, and local offices. It has been published on the EPA side, but not the public registry. We are starting to see outside environmentalists opposing the project. We did get some good news from the BLM regional director, Gloria Tibbits. She has received direction from the national office that they need to push this project forward. The congressional staffers have also been trying to push this forward by contacting the Department of the Interior. It is getting more common to see things like this being held up. ▪*The Board showed their approval for the weather station. (42:48)*

WATER CONSERVATION: AQUIFER RECHARGE & REUSE WWTP WATER: ▪Monroe-Said we are looking for grant opportunities for water conservation. We are gearing up for more recharge through the winter. The last snowstorm, we were able to recharge quite a bit. The operators have made some additional improvements out at Quichipa. We will be adding some more measuring devices as well. Cedar City passed the MOU for the WWTP Reuse Project, so we just need to follow through on that process. (44:30)

GENERAL MANAGER'S REPORT: OPERATIONS & PUBLIC EDUCATION: ▪Feltner-Said we just finished inspecting and approving 2 different subdivisions. There are some we will be more inspecting soon. We are starting to have an issue with the pump at old Chekshani Cliffs well. That is something we will take a look at soon. If we are still a month and a half out on the

new well, we will really need to look into it. We are trying to decide if we replace with a new whole pump or just new pump pipe. We are fairly certain that the pipe is the issue.

▪Monroe-On the public education side, we have been working on the big community meeting on December 7th at 6:30pm at the SUU Great Hall. He asked the Board to please share the meeting and its importance with people in the community. We are starting to get some questions coming in. There have been some financial and environmental questions. There are flyers for them to give out to people in the community. There will be a good panel of experts there to answer questions. Chris Holmes from the radio will be the moderator. **(49:15)**

BOARD MEMBERS REPORT: ▪None. **(49:47)**

ENGINEERING REPORT: UPDATE AND DISCUSSION: ▪None. **(50:13)**

NEXT MEETING DATE: January 20, 2022

Board Member Jones 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 Harris. Motion unanimous at 7:25 PM. (51:20)

Roll Call as follows:

Hartley-Aye

Harris-Aye

Jones-Aye

Melling-Aye

Myers-Aye

Hunter-Aye (51:34)

Board Member Harris motioned to adjourn the closed session and resume regular session Board Meeting. Second by Board Member Hartley. Motion unanimous at 7:53 PM.

▪Hartley-Brought up a question regarding Cedar City's Water Acquisition ordinance. They are working to revise that policy. The development side is pushing the city to allow for post 1935 water rights to be accepted in some fashion. Potentially a water right with a fee that correlates with the priority date. ▪Melling-Said that in the way it was proposed, the city was not in favor. He mentioned doing something similar and coordinating it with the GMP cut dates. ▪*He discussed this concept for several minutes.* ▪Monroe-Said that we considered a policy similar to that several years ago. ▪Wayment-Said by using these older rights that aren't being used, we are depleting our aquifer and making it worse. ▪Melling-But by converting an older right that is being used to municipal use, as long as the duty is properly calculated it ends up being the same use. ▪Wayment-Brought up the idea of taking some of those water rights, but "retiring" some of those water rights to help bring the water table up. You would potentially take double the water rights, so that we would be able to retire half of those water rights that are mining the aquifer. ▪Melling-Said that idea could work in a system where everyone was taking water rights, rather than water acquisition fees. ▪Monroe-Mentioned that it was a pretty progressive concept, and all the entities would have to work together on it. ▪Hartley-You would have to eliminate the fee in lieu of water rights structure. ▪Wayment-You'd have to make the rates high enough that people can't afford to waste water. ▪Melling-Said it isn't really feasible at this point, but if it was only

water rights, it might would be possible in the future. ▪Monroe-Said he struggled with it when we were thinking about the policy because any of the rights in the first two cuts are pretty risky. ▪Wayment-Said his concept is basically retiring older water rights before the State can cut them through the GMP. ▪Monroe-Said the GMP has an “adaptive management” portion that someone could use for a concept like this. ▪Melling-Said the city needs the funds for water right acquisition. ▪Harris-Said he thought it needed to be drawn up and thought about a little bit more, but he would potentially work to get Enoch behind something like this. ▪Monroe-Said he thought it was a great concept. ▪*There was some discussion regarding Wastewater Treatment Plant Reuse for several minutes.*

Board Member Harris motioned to move forward with the negotiation that was discussed in closed meeting regarding the Painted Desert Subdivision. Second by Board Member Hartley. Motion unanimous at 8:15 PM.

Board Member Harris motioned adjourn the regular session Board Meeting. Second by Board Member Hartley. Motion unanimous at 8:15 PM.

Roll Call as follows:

Hartley-Aye

Harris-Aye

Jones-Aye

Melling-Aye

Myers-Aye

Hunter-Aye

Meeting Adjourned at 8:15 PM.